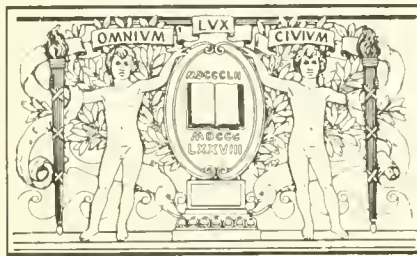


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Paul C. Warnke
President Carter
Secretary Vance
Richard C. Holbrooke
Arthur J. Goldberg

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CYRUS R. VANCE
Secretary of State

HODDING CARTER III
Assistant Secretary for Public Affairs

JOHN CLARK KIMBALL
Consulting Editor

PHYLLIS A. YOUNG
Editor

COLLEEN SUSSMAN
Assistant Editor

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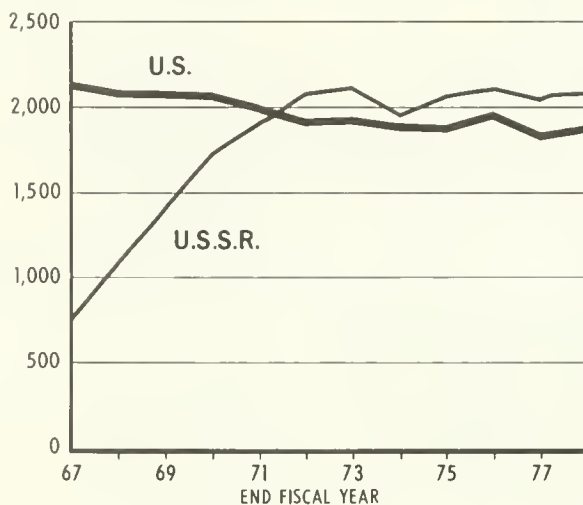
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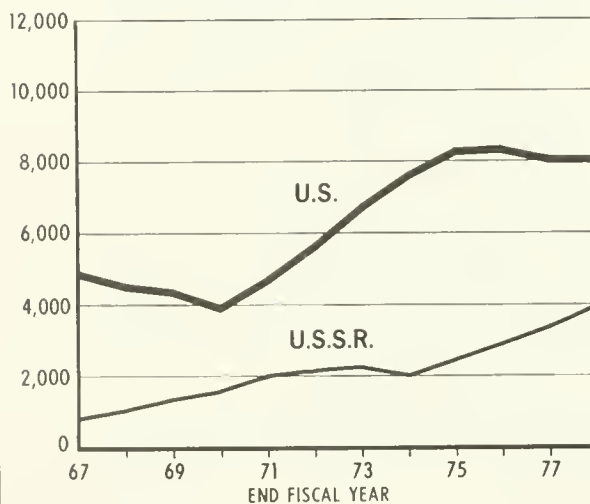
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DEPOSITORY

**U.S. AND U.S.S.R. OPERATIONAL
STRATEGIC OFFENSIVE DELIVERY VEHICLES**



**U.S. AND U.S.S.R. OPERATIONAL
STRATEGIC OFFENSIVE WARHEADS/BOMBS**



SALT: An Ongoing Process

Paul C. Warnke

What is SALT? I think we have to realize that SALT has become an ongoing process. It's not any one treaty. It can't be judged on the basis of one treaty. It has to be judged on the basis of whether or not the process is contributing to the security of the United States.

SALT talks have been going on since 1969, and we have had some success. SALT I did have the very effective result of limiting antiballistic missile systems. We and the Soviets prepared the necessity and expense of going ahead with more offensive systems for the purpose of countering antiballistic missile defenses. It's the crazy logic of the strategic arms race that one could think of these as being bad, but anything that challenges the retaliatory capability of the other side is necessarily deterring and contributes to the arms race. And that's really what SALT is about.

There's some way that we and the Soviet Union—with as many differences as we have between us—can behave rationally and arrive at effective agreements that will protect strategic stability, that will prevent the growth of apprehensions about the strike capability of the other side, and hence will enable us to end the nuclear arms competition rationally to a halt? I think we're getting there. It's a slow process and, no doubt, the next step is going to be the final step toward the goal.

SALT I and Vladivostok

Where are we at the present point? We have a SALT I antiballistic missile (ABM) treaty, which limits antiballistic missile defenses. We also have the Vladivostok Agreement which imposed limits on strategic offensive forces. As it went, it was a useful agreement. It tended to freeze the strategic missiles on both sides.

It has certain defects. Its coverage is incomplete. It doesn't prevent the development of new technologies, a defect which perhaps was more important from the public relations standpoint than from the military standpoint—it provided for un-

equal aggregates, as far as numbers of missiles were concerned.

Since it essentially froze existing programs, the Soviets were left with a lead in intercontinental ballistic missile (ICBM) silos and in numbers of launcher tubes on ballistic missile submarines. This was, of course, a controversial point in SALT I. It led to the so-called Jackson resolution which provided that any subsequent agreements on control of offensive arms had to contain equal aggregates for the Soviet Union and for the United States in strategic intercontinental nuclear delivery systems.

From the standpoint of the history of SALT, the next important step was the so-called Vladivostok understanding between President Ford and General Secretary Brezhnev in Vladivostok in late 1974.¹ Because more than 3 years have gone by since then, we tend to forget this was a very significant breakthrough: It meant that the principle of equal aggregates was accepted by the Soviet Union. They agreed that in SALT II there would be equal ceilings on overall strategic nuclear delivery vehicles and also a subceiling on the number of those delivery vehicles that could contain multiple independently-targetable reentry vehicles (MIRV). The understanding provided for a total of 2,400 on the overall delivery vehicles. It

provided that 1,320 of those could be launchers of MIRV missiles. And it did so without containing any sort of adjustment, any sort of compensation for the Soviet Union for the fact that the United States maintains delivery systems in Europe that can strike Soviet targets.

The Road to SALT II

Since 1972 negotiations have been continuing toward a SALT II agreement. Vladivostok was a very significant step in those negotiations. Other provisions were worked out in great detail in the more than 4 years before the Carter Administration took office.

We began the SALT negotiations again on May 11, 1977. At that time, we were the beneficiaries of a joint draft text approximately 50 pages long which did, in fact, resolve a number of very knotty, troublesome issues involved in any strategic arms control agreement. So we have to recognize that the SALT II treaty, which is now beginning to take final form, is the product of more than 5 years of careful negotiation. It's not the product of a single Administration; it's not the product of any partisan political activity. And it will, at a minimum, contain the equal aggregates that were called for by the Congress after SALT I. It will contain

Paul C. Warnke was born January 31, 1920, in Webster, Massachusetts. He received his A.B. degree from Yale (1941) and his LL.B. from Columbia (1948). He was Editor in Chief of the *Columbia Law Review* during 1948. Mr. Warnke served in the U.S. Coast Guard (1942-46) as a Lieutenant (senior grade) in the Atlantic in the antisubmarine service and in the Pacific on tanker and LST's. He practiced law from 1948 to 1966.

Mr. Warnke was appointed General Counsel of the Department of Defense in September 1966 and Assistant Secretary of Defense for International Security Affairs in August 1977. He left government service in February 1969 to become a full partner in a law firm in Washington, D.C.

On March 9, 1977, Mr. Warnke was confirmed by the Senate to be Director of the Arms Control and Disarmament Agency and chairman of the U.S. delegation to the



Strategic Arms Limitation Talks with the personal rank of Ambassador.

those figures of 2,400 and 1,320 which are the identical ceilings for both sides. It will, however, do a good deal more than that.

The objective of strategic arms limitation talks is to protect strategic stability: to preserve a situation in which no matter what the provocation might be felt to be, the Soviet Union could at no time feel that it might conceivably be in its interests to initiate nuclear war. We have to be sure, by one means or another, that we have at all times the assured retaliatory capability in the event of a Soviet attack to respond with such devastating force as to destroy the Soviet Union as a going society.

You can keep that ability in one of two ways. You can keep it by an unrestricted nuclear arms competition. And there's no question in my mind that if that's the way we have to go we can do it—we have the will, we have the resources, we have the technology. But there is a better way, and that better way is to get effective arms control that preserves strategic stability and avoids the risks and the costs of an unrestricted nuclear arms competition.

In SALT II what we're trying to do is to take a major step forward; to go beyond the principle of equal ceilings and move also toward quantitative reductions—an actual reduction in these figures of 2,400 and 1,320—and also for the first time to impose qualitative constraints, because numbers alone won't do the job. If we are, in fact, going to put an end to the nuclear arms competition, if we're to avoid the development of new technologies—new weapons systems that might be destabilizing because they threaten the strategic balance—we have to have qualitative restraints as well.

In March 1977, when Secretary Vance took his first trip to Moscow,² we presented to the Soviet leadership alternate plans for a SALT II treaty. One plan was the so-called "comprehensive" approach, in which we endeavored really to shortcut the arms control negotiating process and move in one single giant step toward very significant reductions in numbers and toward a whole series of qualitative restraints. It went too far for the Soviet Union. I think we have to recognize that theirs is a leadership which is very conservative; which hates surprises and which moves in even a more glacial fashion than sometimes the U.S. Government appears to move. And our proposal went too far.

Recognizing the distinct possibility

that this would be the case, we presented an alternative proposal. This was just to negotiate a simple, bare-bones, Vladivostok treaty moving the 2,400 figure and the 1,320 figure into a treaty and deferring all of the qualitative restraints, all of the technical questions and constraints over the more contentious weapons systems. That, again, not necessarily unexpectedly, didn't go far enough for the Soviets.

SALT II: An Improvement on Vladivostok

Where we're going to come out is somewhere in between those alternatives of March 1977. SALT II won't go as far as the comprehensive package, but it will be distinctly better—from the standpoint of arms control, from the standpoint of protecting the security of the United States—than the alternative, the simple Vladivostok-type treaty.

For a considerable period of these negotiations, the Soviet delegation had quite restricted authority. They

... SALT has become an ongoing process. It's not any one treaty; it can't be judged on the basis of any one treaty. It has to be judged on the basis of whether or not the overall process is contributing to the security of the United States.

could deal with the technical questions of compliance verification, prohibitions against deliberate concealment—very important provisions in any arms control treaty. They did not, however, have the authority to negotiate reductions. They did not have the authority to negotiate a prohibition on new types of strategic systems. They did not have the authority to negotiate subceilings on the more dangerous MIRV'ed ICBM's. They dealt up through September with what was referred to as the secondary issues. Then Foreign Minister Gromyko came to Washington in the latter part of September 1977.³ And as a result of his talks with President Carter and Secretary Vance, they made some quite significant moves. They agreed that SALT II could go beyond Vladivostok; that it could contain subceilings on the more dangerous systems;

that it could contain provisions for reductions; that it could contain prohibitions on new strategic systems. As a result of those meetings, the delegation of the Soviet Union to Geneva received much more negotiating freedom and, during the last quarter of 1977, we were able to make quite significant progress toward completing SALT II.

I can't really predict when SALT II will be completed. If we continue to make the same sort of progress, we will be very well be through, as President Carter indicated at a news conference on December 31 in Warsaw, at that time in the relatively early stages of the negotiations. But as someone who has had considerable experience with complex negotiations, I find that even when you can get 95% of the way toward your eventual objective, the remaining 5%—are still there because they're the ones on which the negotiators most disagree. I think that you can agree that no negotiators should have any sort of deadline in mind. The position of deadlines does nothing to discourage thoughtful and productive negotiations.

I am, however, very optimistic about the final content of SALT II. I think it's going to be a good treaty that will move us forward toward our goal of protecting the security of the United States by guaranteeing strategic stability. I'm confident that its provisions will be verifiable and also confident that we will be able to agree with the Soviet Union on an agenda for this continuing process called SALT that will enable us to proceed gradually, but nonetheless effectively, on the basis to begin to bring the strategic nuclear arms competition to a halt to the benefit of both countries and to the great relief of the rest of the world.

Q. What inspection methods are available now to insure that the Soviets are complying with the present SALT agreements?

A. The present SALT agreement doesn't require anything other than our national technical means. I am going into the details of what these national technical means are. I must say that you've all got a very clear idea of what I'm talking about.

But SALT I is a relatively simple arms control agreement. It deals with numbers, and it deals with numbers of things that are clearly observable and clearly countable. As a consequence we can rely on our national technical means in SALT I. We do not require what is sometimes

to as cooperative measures, on inspection, that sort of thing. To a very large extent, the same is true of SALT II. We are still dealing with the kinds of controls that are verifiable by our national means. If, in this continuing process, we get much beyond that, we are going to have to consider agreeing with the Soviet Union on intrusive measures of verification.

Mr. Vest [George S. Vest, Assistant Secretary for European Affairs, who spoke before you, said it is his personal belief that the Soviet Union was a very insecure nation and, therefore, depended on building up their arms, in order to become secure. Do you share the same belief? And if so, is the foundation of SALT, the foundation of your opinion that the SALT agreement will succeed?]

I don't believe that I disagree with Assistant Secretary Vest. I think our positions are readily reconcilable. You could regard the Soviet Union as an insecure nation. They've got a great deal to be insecure about. I think of mine once pointed out that the U.S.S.R. is the only country in the world completely surrounded by hostile Communist neighbors, and doesn't make for a great degree of confidence.

I think, however, that that insecurity is entirely consistent with the idea of reaching a SALT agreement with the United States. I'm frequently asked why it is that I feel we can't do it with the Russians. And my answer is that I think you can trust any country to behave in its own interests. And I believe that the Soviet leadership recognizes that an arms control agreement with the United States is in the interests of the Soviet Union.

I divide the reasons for that into three categories: economic, political, and military. The economic reason is probably the least important of the three, but there's no question that the Soviet Union spends more than the United States—appreciably more—on defense capability, including strategic nuclear arms. We now estimate that something in excess of 16%, maybe as much as 16%, of their GNP is spent on defense. That's a very heavy burden. It's one that they can't bear in their kind of society. They don't have any really effective summer protests about the diversion of resources, so they can do it, but they certainly can't enjoy it.

The second reason—and I think this

is part of their insecurity—is that I believe they derive not only certain status feelings but also feel their international image is improved if they are seen to be dealing as equals with the other military superpower. And they can't really expect to continue to deal with the United States unless those negotiations yield some sort of results.

Finally, and I think perhaps more important, if you're in an insecure nation, if you have feelings of inferiority, if you feel that the hands of most men are against you, and if you're

faced with a competitor of the size and strength and resources and technological know-how of the United States, you have to face the possibility that in an unrestricted military competition you may come out second best. And from that standpoint, too, it could very well be regarded by the Soviet leadership, and I believe is regarded by the Soviet leadership, as being the better course to try and agree with the United States on some kind of reasonable arms control measures that will provide for strategic stability.

FACT SHEET ON SALT NEGOTIATIONS

The United States and the Soviet Union have been engaged in the Strategic Arms Limitation Talks since the autumn of 1969. The goals of the United States at SALT are the enhancement of national security, strategic stability, and detente through dialogue and agreements with the Soviet Union. The negotiations are aimed at the limitation and reduction of both offensive and defensive strategic arms.

The first phase of negotiations (SALT I) was concluded on May 26, 1972. On that date the President, on behalf of the U.S. Government, signed two agreements with the Soviet Union—the Treaty on the Limitation of Anti-Ballistic Missile Systems and Interim Agreement on Certain Measures With Respect to the Limitation of Strategic Offensive Arms for a 5-year period. Both the treaty and the Interim Agreement were approved by the Congress and entered into force on October 3, 1972.

In November 1972 a new phase (SALT II) was begun. Bilateral discussions continued for the next 2 years and led to a joint statement on SALT at Vladivostok on November 24, 1974. At that time, the President of the United States and the General Secretary of the Communist Party of the U.S.S.R. concurred in several principles for a new agreement to cover the period until December 31, 1985. General provisions of the new agreement included limiting the aggregate number of strategic delivery vehicles on each side to 2,400 and establishing a sublimit of 1,320 on ICBM's and SLBM's (submarine-launched ballistic missiles) equipped with MIRV's.

A number of issues were not resolved in the Vladivostok statement. The most important were whether to include in the total delivery vehicles to be limited a Soviet bomber called Backfire in the West and what limitations should be placed on cruise missiles. These other issues have been the subject of continuing negotiations since November 1974.

In March 1977 the Carter Administration offered two alternate proposals for resolving the impasse. One would have deferred the Backfire and cruise missile issues to later negotiations. The second, or so-called comprehensive proposal, was designed to advance SALT well beyond the agreement reached at Vladivostok. It called for more substantial reductions in delivery vehicles and MIRV'ed missiles than had been discussed at Vladivostok, for constraints on Backfire and on the range of cruise missiles, and for measures to slow the development and deployment of new strategic systems. The Soviet Union rejected both proposals.

In May 1977 Secretary Vance and Foreign Minister Gromyko met in Geneva and agreed on a three-part framework for the SALT II agreement.

- A treaty of 8 years' duration would establish limits on strategic systems at levels somewhat below those agreed on in 1974. This equal ceiling would provide for clear overall equivalence in strategic forces. The equal aggregate ceilings with freedom to choose the mix of forces within the overall limit are a means of providing for equivalence despite the major differences in the composition of U.S. and Soviet forces. (Historically, the strategic forces of the two sides have evolved along different lines, with the Soviets emphasizing ICBM's, and the United States deploying a more balanced mix of ICBM's, SLBM's, and heavy bombers.)

- A protocol will cover temporary limitations on a number of systems which are not ready for longer term resolution, such as new types of ICBM's, mobile ICBM's, and cruise missiles. These will be the subject of further negotiations in SALT III.

- A set of agreed principles will complete the "three-tier" SALT II agreement and will serve as general guidance for the continuation of SALT negotiations. The principles will include commitments to further reductions, more comprehensive qualitative constraints on new systems, and provisions to enhance verifications.

Q. My question regards the concept of qualitative restraints that you've introduced. I wonder if there is not a danger in that approach of hurting certain kinds of basic scientific research. And I'm thinking in particular of controlled thermonuclear fusion technology, both of the laser type and of the inertial confinement type, which is connected to the frontier areas of military technology and is, at the same time, going to be extremely important for a national energy policy in the 1990's and beyond. And I wonder if it would not be better for the United States to concentrate on developing that kind of technology and perhaps seeing this as an area in which cooperation with the Soviet Union might be possible, as they have, I think, repeatedly offered.

A. Let me hasten to reassure you that there is absolutely nothing contemplated that would result in an overall restriction on the development of technologies for the peaceful use of nuclear energy.

When we talk about a freeze on new types, it'd be a very limited kind of freeze. It would freeze the testing and the deployment of new types of nuclear weapons. It would not in any way interfere with laser fusion research or, as a matter of fact, with any basic research whatsoever. It would be a step forward in the control of nuclear weapons, but it certainly wouldn't have any kind of overall restrictive impact on the development of nuclear technology generally.

Q. A former member of the Joint Chiefs of Staff recently made a statement in our state which is of great interest to me because I live within a mile of a major military installation, so I feel fairly certain that one of those Soviet nuclear subs has a missile aimed at me right now. He said that in case of a Soviet nuclear attack, the United States could well lose 160 million people, but because the Russians have built such fantastic underground civil defense areas—as many as a thousand of them of huge size—that Russia could well survive any retaliation that we attempted. And that makes you wonder whether SALT is getting anywhere at all if we also do not take into consideration the civil defense capabilities of our country as well as theirs.

The other thing is, it seems to me at the rate that they're building submarines, their surface naval

vessels, and their merchant marine—actually an arm of their navy—they could currently really blanket the seas of the world. Are they aiming for conventional war or nuclear war? Because in a conventional war they could quite adequately, at the present time, cut off the flow of supplies from one nation to the other which Hitler's inability to do in World War II was the only thing that saved Europe.

A. I think that in both instances if the assumptions were correct then I would be far, far less confident than I am. But I think that the assumptions in both instances are wrong. I know of no evidence, and none of our intel-

It's only in the crazy logic of the strategic nuclear age that one could think of defenses as being bad, but anything that challenges the retaliatory capability of the other side is necessarily destabilizing and contributes to the arms race. And that's really what SALT is all about.

ligence sources reveal any evidence, that the Soviet Union has an effective civil defense program. There's no question that they're spending more money on civil defense than we are now. They appear to be sort of in the mood that we were in the early 1960's—except that the euphoria that led us to feel a fallout shelter program might spare us most of the nuclear casualties was perhaps somewhat less silly than any such reliance would be today because of the great growth in offensive nuclear capability that has taken place since. There's no question that if the Soviet Union were to continue to go ahead with great expenditures on civil defense, this would be an undesirable thing. It would put us back into the same position we were in with regard to antiballistic missile defenses before SALT I.

The real problem is not that they would have an effective defense but that they might kid themselves and, as a consequence, feel a greater freedom to brandish the nuclear threat. No, I think that rather than worrying about trying to develop a comparable civil defense program, we ought to be doing two things.

First of all, we should continue to

emphasize that there is no doubt that there is no way in which the Soviet Union could spare itself millions and millions of casualties in the destruction of its organization, if they were to start a nuclear attack and we were to respond.

And second, in consequence of the Soviet civil defense expenditures being undesirable because all they cause concern in the United States is to interfere with more effective arms control, and challenge the concept of which nuclear stability depends on assured retaliatory capability on both sides. But I believe that the assumptions that they have an effective civil defense program at present are true but also untrue.

With regard to the development of naval forces, I know of no naval planner in the United States who thinks that the Soviet Navy is a threat for the U.S. Navy at present. That doesn't mean that they couldn't interfere quite substantially with our commerce. If they develop a large enough navy—and they are developing that large navy—they could present a threat to the sea lanes. We have developed forces which are designed to cope with that threat. That's a fundamental inhibition, however, against Soviet interference with our sealanes would be that this would be quite a flagrant act of war which would invite really major escalation and major confrontation. In a nuclear war, I think that we can't look at the terms of the World War II experience. We're not going to be dependent again on the Mirmansk rail line. It would not be that kind of problem. The real question would be how many days it would take to win a major conventional war even if we went through the tactical nuclear stage into a strategic nuclear exchange.

Q. Former Wisconsin Congressman and then Secretary of Defense Melvin Laird was quoted recently as saying that he was aware of some significant violations of SALT I; that in one instance he had not told President Ford about it before a press conference when President answered questions about it. I guess that gives rise to two questions: one, what is the response to Laird? Was he correct when he cited those violations on the Soviet part?

And two, for those of us who are following your activities from now until the conclusion of SALT II, what do you see as the major problems that lie ahead? And what are the major issues that we should

reading carefully about as we read the reports that come back from Geneva?

Addressing first of all the question as to whether or not the Soviets violated the SALT I. I believe both President Ford and one of his predecessors, Ambassador Gerard R. Smith, have stated in their view there have been no violations of SALT I. That's the problem—and I think what gives rise to statements such as those by Under Secretary Laird—is that SALT I is so far as the Interim Agreement on control of offensive arms was concerned, was just that. It was an interim agreement. As a consequence, it had a number of ambiguities. Among the many ambiguities was the indication of restrictions to such things as test practices. And I believe most of the asserted violations cited by Secretary Laird had to do with test practices.

What we are doing about it is making sure that SALT II has no ambiguity in that regard; that it will, in any case, ban any deliberate concealment, interference with our national technical means, whether with regard to testing programs or with regard to national centers.

With respect to the major problems, I see really two sets of problems. One of them is finalizing a SALT II agreement, which requires that we get the Soviet Union to move toward us on both the quantitative restraints and the extent of qualitative restraints. They've agreed in principle on both. They have agreed that there will be reductions below the Vladivostok levels. They have agreed that there should be some constraints on new strategic systems. But we are not together, as yet, on the degree of qualitative and quantitative restraints. I think that that's the major problem that remains.

I think another problem is to educate the American public on the benefits of SALT. I think the American public is basically torn at this point. A lot of the opinion polls seem to reflect this. My own experience would lead me to feel that it is the case. The American public wants peace. It wants arms control. It wants tolerable relations with the Soviet Union. But at the same time, it doesn't trust the Soviet Union. At any point, regrettably, the Soviet Union is very apt to do something egregious which makes it more difficult to continue to have a tolerable relationship with it. At present, of course, one item of great concern has to do with Soviet activities in Africa. So I think that we ought to make

sure that the American public recognizes that arms control is not a reward for good Soviet behavior. It's not a favor that we do for the Soviet Union. It's not something in which we are being kind to them because they are behaving the way we want them to behave elsewhere.

Arms control has got to be considered on its own merits, and its own merits depend upon whether it's a step forward for the security of the United States. If the Soviet Union were to stand up tomorrow and say, "Okay, we're getting out of Ethiopia and by the way, Mr. Carter, we agree with your position on human rights," it wouldn't have the least effect on our delegation in Geneva. It wouldn't lead them to be one degree softer in terms of their basic positions. You have to consider that an arms control agreement is a deal in which both sides have to win; each side has to be confident that the agreement is a step forward in its own security.

All this sounds simple. Nonetheless, it is something which the American public has to think through. And I believe that this is a major problem that we still have.

Q. I represent at the moment about as conservative a section of the United States as you're ever likely to have. I'm satisfied that the people in this area want to keep the Panama Canal; that they look with suspicion on reduction of troops in Korea. But I can also assure you that they would enthusiastically support a successful SALT II agreement, because they, as far as we can measure, believe that this is the overall threat that needs to be reduced and taken out of their future to the extent possible.

What message can we take to them about the end result assuming that there is a successful SALT II agreement? What can we tell them we have achieved and is that the end of the path or is there a chapter to follow?

A. I would say that it is not the end of the book. There is a chapter to follow. And there will be a chapter, in my opinion, to follow that.

We can't expect to have effective control over the strategic arms race in one step. Let me give you just one example.

One of the things that concerns critics of the SALT process is the potential vulnerability of Minuteman, a land-based ICBM. SALT II won't put an end to those concerns. It will begin to bring the strategic arms competition to a halt.

But mathematically, if you're concerned about an attack on our ICBM's, you would have to have such massive reductions in the Soviet ICBM's as to prevent them from having the theoretical capability of destroying our Minuteman silos, and that would mean more than a 50% cut in their ICBM's. They can't cut 50% of their ICBM's and come anywhere near to the ceilings that will be in SALT II because so much of their force is tied up in ICBM's. Whereas we early on decided that land-based ICBM's might become vulnerable and so invested more money and more of our total strategic resources in submarine-launched ballistic missiles and upgrading our strategic bombers, the Soviets continued, whether by choice or by necessity, to build most of their strategic strength in ICBM's.

Over a period of time we would hope that their emphasis would be less on these most destabilizing systems and more on the so-called

The objective of SALT is to protect strategic stability: to preserve a situation in which no matter what the provocation might be felt to be, the Soviet Union could at no time feel that it might conceivably be in its interests to initiate nuclear war.

second-strike forces—those forces that would not challenge the other side's retaliatory capability but would provide a very strong retaliatory capability in themselves. But that will take time. And so, as a consequence, we're going to have to take this step by step.

One of the things we're doing in SALT II is negotiate a joint statement of principles with the Soviet Union which will be basically the agenda, the guidelines, for SALT III. And we would hope in that joint statement of principles to get their agreement to negotiate more effective restraints—restraints on such things, for example, as the flight testing of missiles. So we do feel that this is not the final chapter in the book. It'll be a major advance, but there will be more and better to follow.

As far as what we can expect out of SALT II is concerned, I've tried to outline the general objectives.

These are, first of all, to establish the principle of equal aggregates, so that there will no longer be an imbal-

ance under which the Soviet Union has a greater entitlement of strategic nuclear delivery vehicles than we do.

Second, we will try to get significant reductions in the Vladivostok totals, so that the quantitative aspect of the arms race will not only be halted, it'll be turned back—and we will have taken a step toward eliminating the nuclear spectre which ought to frighten the entire world.

And then third, we will have begun to put into effect restraints on the development of new and more dangerous technologies. That is a pretty impressive list of accomplishments out of a single treaty.

Q. How does the neutron bomb fit into this equation? Do you foresee any nation at this particular time actually considering the building of such a bomb, say within the next 20 years?

A. The neutron bomb really is something which is entirely outside the SALT context. It's not a strategic system. What it would be is a modernization of our tactical nuclear force in Europe. There's no question that from the standpoint of public relations, the neutron bomb has, indeed, been a bomb. There's no question that the Soviets have been able to take propaganda advantage from it. I think that that's essentially the reason for their campaign: they realize that this, like any new nuclear weapon, is an awfully unpleasant kind of thing and doesn't arouse any pleasurable sentiments in the world.

But looking at it in context, the neutron bomb basically is a reaction to a Soviet tank buildup in central Europe. And I think that rather than criticizing us for developing what we hope will be a more effective defense to a massive Soviet tank attack, I would like to have those in the world who are concerned with peace remonstrate with the Soviet Union about the tank buildup.

The neutron bomb, whatever its merits or demerits, is a defensive system. It is not anything with which you would start a war. It would be a way in which you would hope that you would be able more successfully to deter a Soviet tank attack. Like any nuclear weapon, it's a dreadful thing. It kills people, there's no question about it. But from the military standpoint it would be susceptible of a somewhat more restrained utilization.

The arguments that have been made against the neutron bomb are basically three.

• One of them is that it's in-

humane. I agree. But so is an SS-18, a multimegatonnage weapon that will release more radiation than any number of neutron bombs.

• A second objection is that it may lower the nuclear threshold, meaning that its possession would perhaps lead more inexorably to the use of nuclear weapons. I don't think that's the case, either, because what deters the use of nuclear weapons is the prospect of retaliation. In the event that the neutron bomb were used against us or against the Soviet Union, it certainly would not lessen the chances of retaliation. By definition, it's a more effective killer of the opposition's soldiers, and the fact that it spares more civilians is not really going to be much of a deterrent to retaliation. So both from the standpoint of lowering the nuclear threshold and from the standpoint of inhumanity, I would say that the campaign against it is basically propagandistic.

• From the overall standpoint of arms control, in my opinion, what we ought to be trying to do with the Soviet Union is have each side avoid

... you can trust any country to behave in its own interests. . . the Soviet leadership recognizes that an arms control agreement with the United States is in the interests of the Soviet Union.

the kind of escalatory development which inevitably leads to reciprocal action on the part of the other side. When the threat increases, the defense is going to try and find additional ways to defend itself. As far as the Soviets developing a neutron bomb is concerned, this, of course, is something which Mr. Brezhnev has said they will certainly do if we don't give up our plans. And I would say let them go ahead and do it. That's not a reason why we should not develop the neutron bomb. If he wants to defend against a nonexistent NATO tank attack against the Soviet Union, let him waste his money.

Q. Referring to your earlier jest about the Soviet Union being surrounded by Communist enemies, no one today really has addressed himself to Red China and our improved relationship with Red China. And I'm curious as to whether or not that is a factor in the Soviet paranoia—the concern about our improved relations with Red China.

Is that a reasonable conclusion

A. I think you're perfectly right that China does constitute a complicating factor in Soviet decision-making. When you ask them, for example, why it is they're building up their forces in central Europe, they say China. And if you say, "China is in that direction, not over here," they say "Yes, but in the event that the Chinese were to attack, we would have to anticipate that the warlike belligerent West would pour in from the other side, and because we have this threat to the east, we have to develop our forces to the west."

There may be some validity to that contention. I think there's no question of the fact that they hate the Chinese. They fear the Chinese. It's recorded. I don't think anybody who has been in China could doubt the sincerity of the Chinese hatred and fear of the Soviet Union.

I know there are those who feel that we ought to exploit that situation and perhaps make more concessions with China in order to induce Soviet apprehensions. I'm not at all sure that's a wise thing to do. It's never been American policy, and I don't think it should be American policy.

In my view, we ought to continue to try and have useful relations with the Chinese and useful relations with the Soviet Union. We certainly are not being penalized by the fact that there is this mutual hatred. Better that they should hate one another than they hate us. But I think that we have to recognize that in the long run, could be a restraining factor as arms control proceeds. With regard to SALT II or SALT I or, I suppose, SALT VIII, I can imagine that our forces would be constrained that either one or the other would have to fear that there was a strategic imbalance as compared with the People's Republic of China. But at some point, if we are magnificently successful, we will have to try to engage the Chinese in the arms control dialogue.

The problem comes up more immediately in connection with a comprehensive test ban negotiation. We have been negotiating with the Soviet Union and with the United Kingdom looking toward a complete cessation of nuclear explosives testing. And unquestionably, the one thing that concerns the Soviet Union in that regard is whether or not China would continue to test. They're more worried about it than we are because of this relationship of mutual hate and distrust. But it is something

concern us because it is a constraint on Soviet negotiating freedom.

Near Seattle, the U.S. Navy is building a Trident submarine base in Bangor, Washington. There's a lot of about five to ten thousand people who are planning to physically occupy the base on May 22, which I believe is the day before the United Nations has a conference on disarmament. They're arguing that Trident nuclear submarine has first-strike capability—that owing to its range and to the accuracy of its missiles it carries, it is not a second-strike vehicle for striking cities, but a first-strike vehicle for hitting Soviet silos. Is that so? Or is the Trident merely a very expensive bargaining chip that the U.S. will negotiate away?

I would say that it is neither. In my opinion the submarine-launched ballistic missile is a stabilizing system. It's stabilizing because of its inherent invulnerability to attack and because it does have less accuracy and yield than the warheads on land-based ICBM's.

There's no question that the Trident missile will have more range than the existing Poseidon. But that, again, is neither a factor in first strike nor a stabilizing attribute. Let's put it this way: One of the concerns that's been expressed about SALT is that it might prevent us from doing those things that might be necessary to produce our deterrent. It's a charge that's without any foundation because we can preserve all of the options that we need to change our forces if arms control proves to be ineffective.

But the best insurance against that is to have a system which is invulnerable from any first strike. Trident, because of its range, means that the United States, in order to develop an anti-submarine warfare capability against the Soviet Union, would have to search all of the oceans. Trident could operate very close to the territorial United States. And it does not have the combination of accuracy and yield that would make it a first-strike weapon.

With regard to the second part of your question—is Trident a bargaining chip that would be bargained away in SALT II or SALT III—in my opinion, no. I can tell you it won't be bargained away in SALT II. I doubt that it either would or should be bargained away in SALT III. We've got to go far to go at present.

We ought to be concentrating on those systems which are the more destabilizing, and those at present are the ICBM's with multiple

independently-targetable reentry vehicles. And the further development of accuracy and yield in the MIRV'ed ICBM's is unfortunate. It's regrettable because it means that the ICBM's on both sides become, at the same time, more deadly and more vulnerable. As a consequence, they become more attractive first-strike targets. And there's the risk that at a time of crisis, if you've acquired the most valuable part of your strategic force

... there is absolutely nothing contemplated that would result in an overall restriction on the development of technologies for the peaceful use of nuclear energy.

in weapons which are usable only in a first-strike, both sides may feel that they can't afford to wait, because they'll never be able to strike second. From that standpoint, Trident should not be regarded as a bargaining chip, but rather as a stabilizing factor.

Q. What effect will SALT II have on our missiles in Turkey?

A. It'll have none. It raises, however, a very interesting point. Up to now, we've considered SALT as dealing only with the strategic intercontinental systems. We've insisted that we will not negotiate with regard to our forward-based systems.

That was difficult to get the Soviets to accept. They would have preferred to define strategic systems as being anything that can strike the Soviet Union, which would include missiles stationed in Europe.

The question, of course, is how long can you continue with a definition which deals only with the intercontinental systems? At what point—and I think it is inevitable at some point—will you begin to discuss also restrictions on the theater nuclear forces? In that regard all I can say is, certainly if we were ever to begin to talk about our missiles in Europe, we would insist on negotiating with the Soviet Union on their forces which can strike targets in Western Europe, even though they can't strike the United States. It would require an overall evaluation of theater nuclear forces.

Q. I understand the Soviets have a significant advantage over us in nuclear throw-weight. Would it be possible to negotiate a limitation on throw-weight or is that ephemeral?

A. I suppose that anything is possible as negotiations go on. But at this

point, you could not get the Soviet Union to negotiate an overall limit on throw-weight that would put them equal to us, and the reason is that our forces have evolved in different directions. There are asymmetries.

At one point, we had large, liquid-fuel missiles and so did the Soviet Union. We decided—not because of SALT since there was no SALT at that time, not because of any restrictions, but in the exercise of our independent military judgment—to go for smaller, solid-fuel missiles that had greater accuracy. That's the way the two forces evolved.

As a consequence of that, and of the fact that we went for MIRV technology, we have ended up with a situation in which the Soviets have more throw-weight in their missiles, whereas we have many, many more warheads. We have more than twice as many nuclear warheads as the Soviet Union. I'd be quite sure that if we tried to negotiate a restriction on throw-weight, they'd want to have equal limits on the numbers of warheads. And I think that the warhead number is a more significant indicia of strategic capability than throw-weight.

Another thing that sometimes is overlooked in the great throw-weight argument is that our strategic bombers have immense throw-weight and our strategic bomber force dwarfs that of the Soviet Union. As a possible item for subsequent SALT negotiations, we might very well feel that both warheads and throw-weight were ap-

The American public wants peace. It wants arms control. It wants tolerable relations with the Soviet Union. But at the same time, it doesn't trust the Soviet Union.

propriate subjects. I just hope that we get to the point at which they become the relevant factors, but we aren't there yet.

Q. Mr. Vest and you have both acknowledged your basic viewpoints that the Soviet Union is essentially an insecure nation.

With respect to the Administration's emphasis on human rights and the discussions that we have had here on the implications of that human rights policy within the Soviet Union, do you sometimes fear that that Administration policy could make your job more difficult

at SALT by making the Soviets more intransigent because of their basic insecurity?

A. First, let me make an admission which is probably against my interests: Arms control is not the beginning and end of foreign policy. There are other factors that have to be involved in any comprehensive foreign policy. And I think that if we were to be recreant to our concept of the essentiality of human rights, we might have better arms control but we would have worse foreign policy.

Having said that, let me also acknowledge that the human rights issue, in my opinion, has not affected the SALT negotiations one bit during the entire time that I have been associated with them. And that's not surprising because both sides have to look at arms control from the standpoint of basic national security. For example, if the Soviet Union behaved better in Africa we certainly wouldn't give them any concessions in SALT.

Similarly, if Mr. Brezhnev were to stand up and say, "I think President Carter is right and I hereby adopt the American Bill of Rights," that wouldn't change our negotiating positions. Or if we, on the other hand, were to say, "Your position is perfectly correct and the right to a job, etc., is just as important as the right to freedom from torture," I would not expect that that would lead to any greater agreeableness on the part of the Soviet negotiators.

These negotiations necessarily have to be considered from the standpoint of the overall impact on the strategic balance and the overall impact on the national security.

Q. What impact will our decision to go full steam ahead with the cruise missile have?

A. The cruise missile issue is obviously one that has concerned the Soviet Union very much. As with any new technology, I think there is always the question in their minds of, "Will we be able to match it?" But you have to consider the cruise missile issue from a variety of standpoints. One of them is the so-called air-launched cruise missile.

In my opinion, the air-launched cruise missile is a healthy development. It's healthy for the same reason the Trident missile is. What it does is bring up-to-date the strategic bomber part of our deterrent. It means we have to worry less about the potential vulnerability of Minuteman. It means we have to worry less about Soviet air defenses. But at the same time, it's not the kind of a weapon that

either threatens the retaliatory force of the other side or that makes arms control impossible. It certainly is not a first-strike weapon. The B-52 has to raise its ponderous weight from an airfield and lumber across the Atlantic Ocean before it can launch its missiles. It's not the way you would start a nuclear war. And the Soviet Union knows it.

From the standpoint of effect on arms control, the cruise missile doesn't make arms control less possible, because you still have a con-

. . . arms control is not a reward for good Soviet behavior. It's not a favor that we do for the Soviet Union. It's not something in which we are being kind to them because they are behaving the way we want them to behave. . . .

straint on the platforms. You count the heavy bombers that would launch the cruise missiles against the overall totals in SALT II. You don't have an indefinite proliferation of cruise missiles. Ground-launched cruise missiles and sea-launched cruise missiles raise different kinds of questions. And that's the reason why the concept of the 3-year protocol developed.

In May 1977, as a result of a series of meetings in Geneva involving Secretary Vance and Foreign Minister Gromyko, we agreed on a three-part framework for SALT II. One part would be the basic treaty lasting through 1985 that would have such things as the quantitative limits, the verification provisions, and so forth. A second part would be a 3-year protocol in which you would try and deal with the systems for which you could not develop a more lasting settlement. The ground-launched cruise missiles and the sea-launched cruise missiles belong in those categories. We have to think through the implications of those systems in determining what kinds of constraints we'd be willing to adopt on a more lasting basis. And that's what we will do as a part of SALT III.

Q. You mentioned the B-52's lumbering across the ocean, which, of course, is what they would have to do. I'm sure the President put the stop on the B-1 as a bargaining point with the Russians, but I understand that they have a new SS-20 weapon. Can we do a little

bit of bargaining and get an up-to-date plane that is not a World War II relic?

A. The B-52 would hardly qualify as a World War II relic, and the B-52 would also characterize as rising ponderously from an airfield and lumbering across the Atlantic. On its own terms, it would be a subsonic aircraft and as compared to an intercontinental ballistic missile, of course, it is moving terribly, terribly slow. That's what makes it a stabilizing system. But the B-52 with cruise missiles was decided upon not by the arms control agreement but by the Pentagon as being an effective way of updating our bomber force than the B-1.

If we tried to bargain on this, the obvious answer of the Soviet Union would be, "You made that decision not as a favor to us but as a favor to yourself; you decided that you were better off with the B-52 with cruise missiles than you were with the B-1. Since you have made a decision, we have saved you money and improved your strategic forces, why should we give you anything in return?"

With regard to the SS-20, the SS-20 is a theater nuclear system. Theater nuclear systems have not been a subject of SALT up to this point. We were to negotiate about the SS-20; they would insist on negotiating about our theater nuclear forces such as the FB-111's, which are stationed in the United Kingdom and can devastate Soviet targets.

At some point it might be desirable to bring all of those theater nuclear forces into the negotiations, but at this stage it would be a complicating factor. It would tend to make it a more national negotiation because certainly we would have to involve our NATO allies, and we're better off handling bilaterally what we can handle on intercontinental strategic forces.

Q. Do you ever just, in negotiating with the Soviets, sit down and philosophically realize the folly of it all, and just exchange views on a personal level? I'm curious to know whether this rubber room, this vacuum in which the whole thing seems to encompass, isn't a little bit ridiculous to you when you're in it?

A. On the rare occasions when you do sit back and think about it, you do feel that there is a certain ludicrousness about the entire process. I mean we shouldn't have to be sitting down with another large, powerful nation and agreeing that we aren't going to commit mutual suicide.

But the fact of the matter is that this is the stage we're at in international relations. It is necessary for us at

to have strategic stability be-
of mutually assured destruction,
ronym for which is MAD. But at
nt, some such "madness" is in-
ple; it's the way in which we pre-
a bad situation from getting

far as sitting down with my
erpart and philosophizing about
admittedly basic moral and
an issues, unfortunately the
iating process at SALT has be-
stylized like a classic ballet.
have the plenary sessions at
h you exchange formal written
nents, and then you have the sub-
nt sessions which are supposed
informal. They're informal only
comparative basis. There is noth-
spontaneous about them, and I
if there can be.

The Soviet negotiator has been there
1969; I am his third counterpart.
I don't think that in the case of any of
predecessors that they have been
to establish any sort of
raderie. My Russian is really
deficient, and so is his English.
as a consequence there isn't much
rtunity to deal with these larger
s. It would be desirable.
I would hope that as the relationship
ares that we would find, perhaps
a new generation of negotiators
oth sides, that you would be able
et this sort of exchange and
aps as a consequence begin to
more sense than madness out of
relationship.

**What is the dispute about the
et Backfire bomber? Is there
serious consideration of dealing
that issue in an exchange of let-
and if you did deal with it in
exchange of letters, would you
think that would jeopardize the
ty's chances of passing through
Senate?**

The Backfire bomber issue is
that remains under negotiation.
one of the major remaining prob-
s, one of the major remaining dif-
fences between the United States and
Soviet Union.

The problem with Backfire is not
we have any question about its
sion; I think that there is no doubt
it was developed as a medium
ber, as a theater weapon. The
c trouble is that it's too damn big.
bigger than a decent medium
ber ought to be, and our intelli-
ce sources indicate that if you fly it
enough and slow enough, it could
h the United States. As a strategic
pon it certainly is not a very good
What we're trying to do is to get
kinds of constraints that would
vent its adaptation to a strategic role.

The way in which that will be done
has not been decided. But whatever
form is utilized, it would be legally
binding. We would insist on the abil-
ity to enforce that provision against
the Soviet Union. We would insist that
any violation of those assurances
would, in fact, violate SALT II and
permit us our recourse. Since it would
be legally binding, since it would be a
part of the overall SALT II package,

*. . . the Soviets have more
throw-weight in their missiles,
whereas we have many, many
more warheads. . . the warhead
numbers is a more significant in-
dicia of strategic capability than
throw-weight.*

in my opinion it would not interfere
with the ratification of the treaty.

**Q. Would you give some context
to the so-called killer satellite? Does
that represent a problem with verifi-
cation? Is it a strategic weapon?
How would it be used?**

A. The entire question of antisatel-
lite capability is, of course, a trou-
bling one. It would not be a verification
problem because the use of any an-
tisatellite capability would in itself be
a flat, clear violation of the SALT
agreement. In other words, if we have
a SALT II agreement, it will contain
provisions of the same exact substan-
tive effect that we have in our existing
treaties with the Soviet Union, which
is that any interference with our na-
tional technical means of detection is a
violation.

The problem is not one of verifica-
tion; the problem is one of having
a capability, which at a time of crisis
might lead the Soviet Union to violate
the treaty. In the event that they were
to do so, it would have to be regarded
as a very, very serious provocation
and, indeed, as functionally an act of
war. Since it is of such grave conse-
quences, it is desirable that we
negotiate with the Soviet Union and
prevent the development of an an-
tisatellite capability.

In March in Moscow Secretary
Vance proposed a number of bilateral
negotiations with the Soviet Union.
One of those was the question of
negotiating restraints on the develop-
ment of antisatellite weapons. That
should be done. It would not be a
strategic weapon, but it would be a
very seriously disruptive weapon as far
as the U.S.-Soviet relationship was

concerned, and it would lead you to
feel that there was a possibility of an
entire breakdown of not only the exist-
ing treaties but of the overall relation-
ship.

**Q. Isn't the SS-20 a loophole in
SALT? As I understand it, it's a
two-stage missile which is easily con-
vertible to the three-stage SS-16,
which is a strategic weapon.**

A. That has been a problem with
which we have had to deal at SALT.
In my opinion we have resolved it
satisfactorily. The SALT agreement
will see to it that the Soviet Union
cannot deploy a mobile missile of
ICBM character and that we can't,
which would prevent their use of the
SS-16 or any comparable weapon.

**Q. While we're talking about
strategic weapons, what's happening
on the tactical weapon level?**

A. We have not as yet been able to
get into negotiations with regard to
arms control on tactical nuclear
weapons. We have, as you know,
many thousands of tactical nuclear
weapons deployed in Europe. The
neutron bomb would be one means of
modernizing those existing tactical
nuclear weapons. They're regarded as
a very important part of the overall de-
terrent against war in central Europe.
NATO has developed the concept of a
deterrent triad, where we have a con-
ventional force to meet a Soviet at-
tack, and if that were to continue to
escalate, we do have the option of tac-
tical nuclear weapons.

They raise, of course, very serious
risks, because no one could be sure
what would happen when you first
cross the nuclear threshold.

Looked at from the standpoint of de-
terrence, they're good; looked at from
the standpoint of what happens in the
event deterrence fails, they're very
risky. It's one of the reasons why we
would hope that if we are successful at
this level in developing controls on
strategic nuclear weapons, we could
move on and try and reach some fur-
ther agreement that would, by arms
control techniques, lessen the chances
of anything happening in Europe that
could lead to conventional war and
possible escalation past the nuclear
threshold. □

*Informal remarks and a question-and-answer
session before a National Foreign Policy Con-
ference for Editors and Broadcasters held at
the Department of State on Jan. 19, 1978.*

¹For texts of the joint statement on strategic
offensive arms and the joint communique of
Nov. 24, 1974, see BULLETIN of Dec. 23,
p. 879.

²See BULLETIN of Apr. 25, 1977, p. 389.

³See BULLETIN of Nov. 7, 1977, p. 643.

Compliance With the SALT I Agreements

The Department of State and the Senate Foreign Relations Committee on February 28, 1978, released an Administration report summarizing experience in monitoring compliance with the SALT I agreements of 1972. The report, forwarded by Secretary Vance to Senator John Sparkman, Chairman of the Senate Foreign Relations Committee, was prepared in response to questions about possible Soviet violations of the agreements.

The Administration has released the report on compliance with the SALT agreements in order to inform the public fully on this important matter. The report reviews in detail each of the questions which has arisen under the agreements. The report demonstrates how carefully the United States monitors Soviet compliance with the SALT agreements.

It was anticipated in the drafting of the SALT agreements in 1972 that questions could arise regarding the implementation of the agreements, and a U.S.-U.S.S.R. Standing Consultative Commission was established to resolve such questions. It is clear from this review that the United States has raised promptly with the Soviets any unusual or ambiguous activities which could be or could become grounds for concern. The Soviets also raised a number of questions about U.S. activities. In each case, the activity in question has ceased or additional information has allayed the concern.

The purpose of this paper is to provide a brief account of the background, discussion, and status of those questions related to compliance with the SALT agreements of 1972—the ABM treaty and the Interim Agreement on strategic offensive arms—which have been raised by the United States and the U.S.S.R.¹ It also provides a brief discussion of matters which have been mentioned in the press but which have not been raised with the U.S.S.R.

Even before talks with the U.S.S.R. on the subject of strategic arms limitation began, the United States established, in the framework of the National Security Council (NSC) system, an interagency group known as the Verification Panel to study questions concerning SALT, with special attention to matters of verification of compliance with the provisions of possible agreements. During the preliminary talks in November and December of 1969, the United States proposed, and the U.S.S.R. agreed, to create a special standing body to deal with questions of implementation of agreements which might be concluded, including questions which might arise concerning compliance. This reflected early recognition and agreement that such matters would require special attention in connection with any agreement as complex as one limiting the strategic weapons of the United States and the U.S.S.R.

Article XIII of the ABM treaty of May 26, 1972, provides for a Standing Consultative Commission (SCC) to, among other things, "consider ques-

tions concerning compliance with the obligations assumed and related situations which may be considered ambiguous."

Article VI of the Interim Agreement provides that the parties use the SCC in a similar manner in connection with that agreement. In December 1972, during the first session of SALT II, the SCC was formally established.

Since the conclusion of the 1972 SALT agreements, procedures have been established within the U.S. Government for monitoring Soviet performance and for dealing with matters related to compliance. All intelligence information is carefully analyzed in the context of the provisions of those agreements, and recommendations on questions which arise are developed by interagency intelligence and policy advisory groups within the NSC system. Currently, these are an Intelligence Community Steering Group on Monitoring Strategic Arms Limitations and the Standing Consultative Commission Working Group of the NSC Special Coordination Committee. Should analysis of intelligence information indicate that there could be a question concerning compliance, this latter group reviews and analyzes the available information and provides recommendations. The President decides whether a particular question or issue is to be raised with the U.S.S.R. based on the study and recommendations of the Working Group and, if necessary, the department and agency principals who comprise the Special Coordination Committee or the NSC itself. After discussion of any question

is opened with the U.S.S.R. Standing Consultative Commission, the positions and actions taken by U.S. representatives are also guided in the same manner.

Questions Raised by the U.S.

Launch Control Facilities (Special-Purpose Silos). Article I of the Interim Agreement states: "Parties undertake not to start construction of additional fixed land-based intercontinental ballistic missile (ICBM) launchers after July 1, 1972."

In 1973 the United States determined that additional silos of a different design were under construction at a number of launch sites. If these had been intended to contain ICBM launchers, they would have constituted a violation of Article I of the Interim Agreement.

When the United States raised concern over this construction with the Soviet side, the U.S.S.R. responded that the silos were, in fact, hard-target facilities built for launch-control purposes. As discussions proceeded, additional intelligence became available, the United States concluded the silos were built to serve a launch-control function.

In early 1977, following further discussions during 1975 and 1976 and a review of our intelligence on this subject, the United States decided to discuss this matter on the basis that the silos in question are currently used as launch-control facilities. We will, of course, continue to watch for any activity which might warrant reopening of this matter.

Concealment Measures. Article I of the Interim Agreement and Article XII of the ABM treaty provide that each party shall not "... interfere with the national technical means of verification of the other Party ... nor ... use deliberate concealment measures which impede verification by national technical means of compliance with the provisions ... of the agreement or the treaty. Both articles provided that the latter obligation "... shall not require changes in current construction, assembly, commissioning, or overhaul practices."

The United States has closely monitored Soviet concealment practices before and after conclusion of the

SALT agreements. During 1974 extent of those concealment activities associated with strategic weapons programs increased substantially. Some of them prevented U.S. verification of compliance with the provisions of the ABM treaty or the Interim Agreement, but there was concern that this could impede verification in the future if the pattern of concealment measures were permitted to continue unabated.

The United States stated this concern and discussed it with the Soviet side. In early 1975 careful analysis of intelligence information on activities of the U.S.S.R. led the United States to conclude that there no longer appeared to be an expanding pattern of concealment activities associated with strategic weapons programs. We continued to monitor Soviet activity in this area closely.

Modern Large Ballistic Missiles (SS-19 Issue). Article II of the Interim Agreement states: "The Parties undertake not to convert land-based launchers for light ICBM's, or ICBM's of older types deployed prior to 1964, into land-based launchers for heavy ICBM's of types developed after that time."

This provision was sought by the United States as part of an effort to place limits on Soviet heavy ICBM's (SS-9 and follow-ons). We did not, however, obtain agreement on a quantitative definition of a heavy ICBM which would constrain increases in the number of Soviet light ICBM's (SS-11 and follow-ons). Thus, the U.S. side ended on the final day of SALT I negotiations [May 26, 1972]:

The U.S. Delegation regrets that the Soviet Delegation has not been willing to agree on a quantitative definition of a heavy missile. Under the circumstances, the U.S. Delegation believes it necessary to state the following: The United States would consider any ICBM having a throw weight significantly greater than that of the heaviest light ICBM now operational on either side to be a heavy ICBM. The U.S. proceeds on the premise that the Soviet side will give due account to this consideration.

The U.S.S.R. delegation maintained this position throughout SALT I that an exact definition of heavy ICBM's was not essential to the understanding reached by the sides in the Interim Agreement on the subject of heavy ICBM's and made clear that they did not agree with the U.S. statement stated above. When deployment of the SS-19 missile began, its size, though a violation of the Interim Agreement provisions noted above, caused the United States to raise the issue with

the Soviets in early 1975. Our purpose was to emphasize the importance the United States attached to the distinction, made in the Interim Agreement between "light" and "heavy" ICBM's, as well as the continuing importance of that distinction in the context of the SALT II agreement under negotiation at the time. Following some discussion in the SCC, further discussions of this question in that forum were deferred because it was under active consideration in the SALT II negotiations.

Since that time, the U.S. and U.S.S.R. delegations have agreed in the draft text of the SALT II agreement on a clear demarcation, in terms of missile launch-weight and throw-weight, between light and heavy ICBM's.

Possible Testing of an Air Defense System (SA-5) Radar in an ABM Mode. Article VI of the ABM treaty states: "To enhance assurance of the effectiveness of the limitations on ABM systems and their components provided by this Treaty, each Party undertakes: (a) not to give missiles, launchers, or radars, other than ABM interceptor missiles, ABM launchers, or ABM radars, capabilities to counter strategic ballistic missiles or their elements in flight trajectory, and not to test them in an ABM mode . . ."

On April 7, 1972, the United States made a statement to clarify our interpretation of "tested in an ABM mode." We noted, with respect to radars, that we would consider a radar to be so tested if, for example, it makes measurements on a cooperative target vehicle during the reentry portion of its trajectory or makes measurements in conjunction with the test of an ABM interceptor missile or an ABM radar at the same test range. We added that radars used for purposes such as range safety or instrumentation would be exempt from application of these criteria.

During 1973 and 1974, U.S. observation of Soviet tests of ballistic missiles led us to believe that a radar associated with the SA-5 surface-to-air missile system had been used to track strategic ballistic missiles during flight.

A question of importance in relation to this activity was whether it represented an effort to upgrade the SA-5 system for an ABM role. The Soviets could have been using the radar in a range instrumentation role to obtain precision tracking; on the other hand, the activity could have been part of an effort to upgrade the SA-5 system for an ABM role or to collect data for use in developing ABM systems or a new

dual SAM/ABM system. Although much more testing, and testing significantly different in form, would be needed before the Soviets could achieve an ABM capability for the SA-5, the observed activity was, nevertheless, ambiguous with respect to the constraints of article VI of the ABM treaty and the related U.S. stated interpretation of "testing in an ABM mode." If the activity was designed to upgrade the SA-5 system, it would have been only the first step in such an effort. Extensive and observable modifications to other components of the system would have been necessary, but these have not occurred.

The United States raised this issue based on the indications that an SA-5 radar may have been tracking ballistic missiles during the reentry portion of their flight trajectory into an ABM test range.

February 21, 1978

Honorable John Sparkman
Chairman, Committee on
Foreign Relations
U.S. Senate

Dear Mr. Chairman:

As you know there has been a great deal of interest in recent months over the question of the Soviet record of compliance with the provisions of the SALT I agreements. I understand that members of your Committee have expressed concern, most recently in the course of hearings to approve the Ambassadorial nomination of Robert Buchheim, the US Commissioner to the Standing Consultative Commission in Geneva.

The issue of Soviet compliance, although important in its own right, takes on an increased urgency at a time when we are nearing completion of a new SALT II agreement.

I am enclosing a copy of a statement prepared by the Administration which deals with the broad range of issues raised by both sides regarding compliance with the first SALT agreements. In addition the statement addresses a number of charges which have been raised in the press but which in fact were not the subject of discussion between the two sides.

I hope that this statement will lay to rest many of the concerns of members of your Committee and will serve to answer the questions raised by members of the Committee.

With warmest regards,
Sincerely,

CYRUS VANCE

The Soviets maintained that no Soviet air defense radar had been tested in an ABM mode. They also noted that the use of non-ABM radars for range safety or instrumentation was not limited by the ABM treaty.

A short time later, we observed that the radar activity of concern during Soviet ballistic missile tests had ceased.

The United States has continued to monitor Soviet activities carefully for any indications that such possible testing activity might be resumed.

Soviet Reporting and Dismantling of Excess ABM Test Launchers. Each side is limited under the ABM treaty to no more than 15 ABM launchers at test ranges. During 1972, soon after the ABM treaty was signed, the Soviets dismantled several excess launchers at the Soviet ABM test range.

On July 3, 1974, the agreed procedures, worked out in the SCC, for dismantling excess ABM test launchers entered into force. After the detailed procedures entered into effect, the U.S.S.R. provided notification in the SCC that the excess ABM launchers at the Soviet test range had been dismantled in accordance with the provisions of the agreed procedures. Our own information was that several of the launchers had not, in fact, been dismantled in complete accordance with those detailed procedures.

Even though the launchers were deactivated prior to entry into force of the procedures, and their reactivation would be of no strategic significance, the United States raised the matter as a case of inaccurate notification or reporting to make known our expectation that, in the future, care would be taken to insure that notification, as well as dismantling or destruction, was in strict accordance with the agreed procedures.

Soviet ABM Radar on Kamchatka Peninsula. Article IV of the ABM treaty states: "The limitations provided for in Article III [on deployment] shall not apply to ABM systems or their components used for development or testing, and located within current or additionally agreed test ranges."

In October 1975 a new radar was installed at the Kamchatka impact area of the Soviet ICBM test range. Since article IV exempts from the limitations of article III only those ABM components used for development or testing at current or additionally agreed ranges, location of this radar, which the United States identified as an ABM radar, on the Kamchatka Peninsula could have constituted establishment of a new Soviet ABM test range.

This situation, however, was made ambiguous by two facts.

(1) Just prior to the conclusion of the SALT negotiations in 1972, the United States provided to the Soviet delegation a list of U.S. and Soviet ABM test ranges which did not include the Kamchatka impact area. The Soviet side neither confirmed nor denied the accuracy or completeness of the U.S. listing and indicated that use of national technical means assured against misunderstanding of article IV.

(2) The presence of an older type ABM radar could be viewed as having established the Kamchatka impact area as an ABM test range at the time the ABM treaty was signed.

Though the location of a new ABM radar on Kamchatka was not strategically significant, it was decided that this matter should be raised with the Soviet side in order to set the record straight.

We brought the situation to the attention of the Soviet side. The U.S.S.R. indicated that a range with a radar instrumentation complex existed on the Kamchatka Peninsula on the date of signature of the ABM treaty and that they would be prepared to consider the Kamchatka range a current test range within the meaning of article IV of the ABM treaty. The United States continued the exchange to establish that Kamchatka is an ABM test range, that Sary Shagan and Kamchatka are the only ABM test ranges in the U.S.S.R., and that article IV of the ABM treaty requires agreement concerning the establishment of additional test ranges.

The Soviet side has acknowledged that Kamchatka is an ABM test range and that it and Sary Shagan are the only ABM test ranges in the U.S.S.R. On the third point, discussions are continuing on how properly to satisfy the need for discussing and agreeing upon the establishment of an ABM test range. Agreement appears near on this matter.

Soviet Dismantling or Destruction of Replaced ICBM Launchers. Under the Interim Agreement and the protocol thereto of May 26, 1972, the U.S.S.R. was permitted to have no more than 950 SLBM launchers and 62 modern, nuclear-powered ballistic missile submarines. In addition it was provided that Soviet SLBM launchers in excess of 740 might become operational only as replacements for older ICBM and SLBM launchers, which would be dismantled or destroyed under agreed procedures.

Such procedures were developed in the SCC and became effective on July 3, 1974. The procedures include

detailed requirements for the dismantling or destruction actions to be accomplished, their timing, and notification about them to the other party.

By early 1976 the Soviets had developed a requirement to dismantle replaced launchers. It soon became apparent to the United States that the Soviets would probably not complete all the required dismantling action of all the launchers on time. Therefore the United States decided to raise the question with the Soviets, but before we could do so, the notification concerning dismantling or destruction provided by the Soviet side in the SCC knowledge that the dismantling of older ICBM launchers had not been completed in the required time period. The Soviet side explained the situation and predicted that all the dismantling actions would be completed by July 1976, and agreed to the U.S. demand that no more submarines with replacement SLBM launchers begin sea duty before such completion. Both conditions were met.

Since that time, although we observed some minor procedural discrepancies at a number of those deactivated launch sites and at others the replacement process continued, all launchers have been in a condition satisfied the essential substantive requirements, which are that they can be used to launch missiles and can be reactivated in a short time if necessary we have pursued the question of complete and precise accomplishment of the detailed requirements of the agreed procedures.

Concealment at Test Range. Provisions of the Interim Agreement pertinent to this discussion are:

• Article V (3): "Each Party undertakes not to use deliberate concealment measures which impede verification by national technical means of compliance with the provisions of this Interim Agreement."

• Agreed statement concerning launcher dimensions: "... in the process of modernization and replacement the dimensions of land-based ICBM silo launchers will not be significantly increased."

• Agreed statement concerning testing and training launchers: "... there shall be no significant increase in the number of ICBM and SLBM test and training launchers, or in the number of such launchers for modern land-based heavy ICBMs ... construction or conversion of ICBM launchers at test ranges shall be undertaken only for purposes of testing and training."

In early 1977 we observed the us

ge net covering over an ICBM test shelter undergoing conversion at a range in the U.S.S.R.

There was agreement in the United States that this subject could be appropriate for discussion in SALT in the context of the ongoing discussions on the subject of deliberate concealment measures in connection with a SALT II agreement. The subject was initially raised in this context.

In addition we also expressed our view that the use of a covering over an ICBM silo launcher concealed activities from national technical means of verification and could impede verification of compliance with provisions of the Interim Agreement; specifically, the provision which dealt with increases in dimensions of ICBM silo launchers as recorded in the agreed document quoted above. The United States took the position that a covering which conceals activities at an ICBM from national technical means of verification could reduce the confidence and trust which are important to the efforts to establish and maintain strategic arms limitations.

It has been the Soviet position that the provisions of the Interim Agreement were not applicable to the activity in question. Nevertheless, they subsequently removed the net covering.

Questions Raised by the U.S.S.R.

Shelters Over Minuteman Silos. Paragraph 3 of article V of the Interim Agreement states: "Each Party undertakes not to use deliberate concealment measures which impede verification by national technical means of compliance with the provisions of this Interim Agreement. This obligation shall not require changes in current construction, assembly, conversion, or overhaul activities."

The United States used shelters which were either 300 or 700 square feet in size over Minuteman ICBM silos to provide environmental protection during initial construction as well as modernization, from 1962 through 1972. Beginning in 1973, in connection with modernization and silo-hardening work, prefabricated shelters about 2,700 square feet were used. From four to twelve of these shelters were in place over silos at any given time, for from 10 days to 4 weeks depending upon the severity of the weather.

The Soviets raised this subject, taking the position that the activity was inconsistent with article V of the Interim Agreement since it could be classified as deliberate concealment and that, therefore, it should cease.

The United States, based on the nature of the shelters and their use strictly for environmental purposes, not for concealment, believed that their use was consistent with article V.

In early 1977 the United States decided to modify the use of environmental shelters over Minuteman ICBM silos based on explicit confirmation of the common view shared by us and the Soviets that neither side should use shelters over ICBM silos that impede verification by national technical means of compliance with the provisions of the Interim Agreement. Our use of shelters has recently been modified by reducing their size almost 50% in recognition of that understanding.

Atlas and Titan-I Launchers. The protocol developed in the SCC governing replacement, dismantling, and for strategic offensive arms, as noted above, provides detailed procedures for dismantling ICBM launchers and associated facilities, one principle of which is that reactivation of dismantled launchers should take substantially more time than construction of a new one.

There are 177 former launchers for the obsolete Atlas and Titan-I ICBM systems at various locations across the continental United States. All these launchers were deactivated by the end of 1966.

The Soviet side apparently perceived an ambiguity with respect to the status and condition of these launchers, based on the amount of dismantling which had been done and its effect on their possible reactivation time. They raised this issue in early 1975.

The U.S. view was that these launchers were obsolete and deactivated prior to the Interim Agreement and were not subject to that agreement or to the accompanying procedures for dismantling or destruction. However, we did provide some information on their condition illustrating that they could not be reactivated easily or quickly. The discussion on this question ceased in mid-1975.

Radar on Shemya Island. Article III of the ABM treaty states: "Each Party undertakes not to deploy ABM systems or their components except . . . within one ABM deployment area . . . centered on the Party's national capital . . . and within one . . . deployment area . . . containing ICBM silo launchers . . ."

In 1973 the United States began construction of a new phased-array radar on Shemya Island, Alaska, at the western end of the Aleutian Island chain. This radar is to be used for national technical means of verification, space track, and early warning.

The Soviets raised a question in 1975, suggesting that the radar was an ABM radar which would not be permitted at this location.

The U.S. side discussed this matter with the Soviets and as a result, we believe, eliminated any concern about possible inconsistency with the provisions of the ABM treaty. The radar became operational in early 1977.

Privacy of SCC Proceedings. Paragraph 8 of the regulations of the SCC states: "The proceedings of the Standing Consultative Commission shall be conducted in private. The Standing Consultative Commission may not make its proceedings public except with the express consent of both Commissioners."

Prior to the special SCC session held in early 1975 to discuss certain questions related to compliance, several articles appeared in various U.S. publications with wide circulation. These articles speculated about the possibility of certain Soviet "violations" of the SALT agreements which would be discussed and tended to draw the conclusion that there were violations, based on what was purported to be accurate intelligence information.

The Soviets have expressed to us their concern about the importance of confidentiality in the work of the SCC and about the publication of such items. They were apparently particularly concerned about press items that may appear to have official U.S. Government sanction.

We have discussed with the Soviets the usefulness of maintaining the privacy of our negotiations and discussions and limiting speculation in the public media on SCC proceedings, as well as the need to keep the public adequately informed.

Dismantling or Destruction of the ABM Radar Under Construction at Malmstrom AFB. When the ABM treaty was signed on May 26, 1972, the United States had ABM defenses under construction in two deployment areas for the defense of ICBM's. Since the ABM treaty permitted each party only one such ABM system deployment area, the United States immediately halted the construction, which was in the early stages, at Malmstrom AFB, Montana. Specific procedures for the dismantling or destruction of the ABM facilities under construction at Malmstrom were negotiated as part of the protocol on procedures for ABM systems and their components, signed on July 3, 1974.²

Dismantling of the ABM facilities under construction at Malmstrom was completed by May 1, 1974.

In late 1974 we notified the U.S.S.R. in the SCC that dismantling activities at the Malmstrom site had been completed. Somewhat later, the Soviet side raised a question about one detailed aspect of the dismantling which they apparently felt had not been carried out in full accord with the agreed procedures.

We reviewed with the Soviet side the actions taken by the United States to dismantle the Malmstrom site and also showed them some photographs of the before-and-after conditions there. The question was apparently resolved on the basis of that discussion.

Other Questions and Charges

The process of monitoring Soviet activity and analyzing the information obtained in order to decide whether any particular matter needs to be raised with the Soviet side has been described above. Activities not raised with the U.S.S.R. as ambiguous or of possible concern have also been examined by the United States. In those cases, analysis of the available intelligence information showed that they did not warrant discussion or categorization as inconsistent with the agreements. Generally, it has been the practice to avoid public discussions of these matters.

From time to time, articles have appeared in U.S. periodicals and newspapers alleging Soviet violations of the provisions of the SALT I agreements. As indicated earlier, these reports or commentaries have been generally speculative and have concluded or implied that violations or "cheating" by the Soviets had taken place.

Among the subjects most recently or frequently mentioned are those listed below.

"Blinding" of U.S. Satellites. Soviet use of something like laser energy to "blind" certain U.S. satellites could be an activity inconsistent with the obligations in article XII of the ABM treaty and article V of the Interim Agreement "not to interfere with" or "use deliberate concealment measures" which impede verification, by national technical means, of compliance with the provisions of those agreements.

In 1975 information relevant to possible incidents of that nature was thoroughly analyzed, and it was determined that no questionable Soviet activity was involved and that our monitoring capabilities had not been affected by these events. The analysis indicated that the events had resulted

from several large fires caused by breaks along natural gas pipelines in the U.S.S.R. Later, following several reports in the U.S. press alleging Soviet violations and in response to questions about those reports, the U.S. press was informed of those facts by several U.S. officials.

Mobile ABM. From time to time, it has been stated that the U.S.S.R., in contravention of article V of the ABM treaty, has developed, tested, or deployed a mobile ABM system, or a mobile ABM radar, one of the three components of a mobile ABM system.

The U.S.S.R. does not have a mobile ABM system or components for such a system. Since 1971 the Soviets have installed at ABM test ranges several radars associated with an ABM system currently in development. One of the types of radars associated with this system can be erected in a matter of months, rather than requiring years to build as has been the case for ABM radars both sides have deployed in the past. Another type could be emplaced on prepared concrete foundations. This new system and its components can be installed more rapidly than previous ABM systems, but they are clearly not mobile in the sense of being able to be moved about readily or hidden. A single complete operational site would take about half a year to construct. A nationwide ABM system based on this new system under development would take a matter of years to build.

ABM Testing of Air Defense Missiles. Article VI of the treaty specifically prohibits the testing in an ABM mode of missiles which are not ABM interceptor missiles, or giving them ABM capabilities. Our close monitoring of activities in this field have not indicated that ABM tests or any tests against strategic ballistic missiles have been conducted with an air defense missile; specifically, we have not observed any such tests of the SA-5 air defense system missile, the one occasionally mentioned in this connection in the open press.

Mobile ICBM's. The development and testing of a mobile ICBM is not prohibited by the Interim Agreement, but the United States stated in SALT I that we would consider deployment of such systems to be inconsistent with the objectives of the agreement. We do not believe the Soviets have deployed an ICBM in a mobile mode.

The possibility that the Soviet SS-20, which is a mobile intermediate-range ballistic missile system,

has been given or could be given ICBM range capabilities has been discussed in the press. The SS-20 is being deployed to replace old medium- and intermediate-range missiles. It is judged to be capable of reaching the Aleutian Islands in western Alaska from its present likely deployment areas in the U.S.S.R.; however, it cannot reach the contiguous 48 States from any of its likely deployment areas in the Soviet Union.

While the range capability of the SS-20 missile system, including the SS-20, can be extended by reducing the weight of its payload or adding another propulsion stage, there is no evidence that the Soviets have made any such modifications to the SS-20. We have confidence that we would detect the necessary intercontinental range testing of such a modified system.

Denial of Test Information. It has been reported in some articles that the Soviets have violated the Interim Agreement by encoding missile-test telemetry and that such activity is contrary to the provision of article V of the Interim Agreement. Such activity would be inconsistent with those provisions of the Interim Agreement if it impeded verification of compliance with agreement provisions; it has not been considered to have done so. In the SALT II negotiations, we have treated this subject in considerable detail, since such activity could affect verification of compliance with certain provisions of the agreement under negotiation.

Antisatellite Systems. It has been alleged that Soviet development of an antisatellite system is a violation of the obligation not to interfere with national technical means of verification of compliance with SALT provisions. Since development of such systems is not prohibited, this program does not call into question Soviet compliance with existing agreements. The actual use of an antisatellite system against U.S. national technical means is prohibited, but this has not occurred.

ACDA press release 4 of Feb. 28, 1978.

¹ For texts of the Treaty on the Limitation of Anti-Ballistic Missile Systems and the Interim Agreement on Certain Measures with Respect to the Limitation of Strategic Offensive Arms, signed in Moscow on May 26, 1972, see BULLETIN of June 26, p. 918.

² For text of protocol, see BULLETIN of July 29, 1974, p. 216.

Verification of the Proposed SALT II Agreement

The following is a portion of a report prepared by the Administration of the Senate Foreign Relations Committee, as released by that committee on February 24, 1978. The extracts are taken from a longer, classified report giving more detailed information on the verification aspects of the proposed SALT II agreement.

The report was originally requested by the committee on November 2, 1977, pursuant to a provision of the Arms Control and Disarmament Act, amended last year, which requires the Director of the Arms Control and Disarmament Agency provide a report, upon request, as to the adequacy of verification of compliance with each provision of significant arms control proposals made to or by the United States. The request was reiterated February 1.

The anticipated SALT II agreement is adequately verifiable. This judgment is based on assessment of the verifiability of the individual provisions of the agreement and the agreement as a whole. Although the possibility of undetected cheating in certain areas exists, such cheating would not alter the strategic balance in view of U.S. programs. Any cheating on a scale large enough to alter the strategic balance would be discovered in time to make an appropriate response. There will be areas of uncertainty, but they are not such as to permit the Soviets to produce a significant unanticipated threat to U.S. interests, and those uncertainties can, in any event, be compensated for with the flexibility inherent in our own programs.

Proposed Agreement

The proposed SALT II agreement has three principal elements:

- A treaty to last until 1985 employing basically the Vladivostok accord with some reductions below the Vladivostok ceilings;
- A protocol to last until September 30 temporarily limiting certain aspects of cruise missiles, new types of ballistic missiles, and mobile ICBM's;
- Principles and guidelines for SALT III.

The proposed treaty includes the following major provisions:

- An initial overall aggregate level of 2,400 strategic systems to be reduced to an agreed number between 2,160 and 2,250 during the term of the treaty;
- A 1,320 sublimit on MIRV'ed ICBM and SLBM launchers and aircraft equipped with long-range cruise missiles;
- A sublimit of an agreed number between 1,200 and 1,250 on MIRV'ed ballistic missiles; and
- A sublimit of 820 on MIRV'ed ICBM launchers.

The proposed protocol includes the following provisions:

- A ban on deployment of mobile ICBM launchers and on the flight testing of ICBM's from such launchers;
- Limitations on the flight testing and deployment of new types of ballistic missiles; and
- A ban on the flight testing and deployment of cruise missiles capable of a range in excess of 2,500 km. and on the deployment of cruise missiles capable of a range in excess of 600 km. on sea- or land-based launchers.

The agreement is still under active negotiation. Unless otherwise stated, the verification assessment for unresolved issues addresses only the U.S. position.

Verification

Verification is the process of determining, to the extent necessary to safeguard our national security, that the other side is complying with the SALT agreement. We must have high confidence in our ability to detect Soviet noncompliance before it could significantly affect our interests. This process of judging the adequacy of verification must take into account the capabilities of existing and future intelligence-collection systems and the ability of the other side to evade detection if it should attempt to do so.

Equally important is the U.S. ability to respond to Soviet cheating, should it occur. The U.S. technological base, its research and development programs, and the substantial capabilities of its strategic forces provide this hedge.

This process must also assess the political and military significance of potential violations and the costs, risks, and gains to the Soviets of cheating. It also takes into account the degree to which the advantages conferred on the United States by a particular provision outweigh the disadvantages caused by problems of verification. In such cases, we must consider the potential gains to the United States of being allowed the flexibility to take certain actions, even though allowing the Soviets the same options may complicate verification. Cruise missile limitations constitute a prime example of such a situation.

Assessing the adequate verifiability of the proposed SALT agreement is most heavily based on our confidence in U.S. monitoring capabilities. Such monitoring is carried out by the intelligence community and involves data collection and assessment of what the other side is doing or not doing. For the most part, the intelligence community has performed and would continue to perform these functions even in the absence of a SALT agreement. Many of the uncertainties that are discussed below would also exist in our intelligence assessments of Soviet strategic programs without an agreement.

Monitoring tasks in SALT can be divided into three categories:

- (1) Counting numerically limited systems, such as ICBM and SLBM launchers and heavy bombers;
- (2) Measuring limited quantities, such as the throw-weight of an ICBM; and
- (3) Monitoring for evidence that a prohibited activity is being undertaken.

(Classified Text Deleted)

Our monitoring judgments assume the availability of present and programmed collection assets. However, these assessments are conservative in that they do not take into account the possibility of unusual or unpredictable intelligence successes or fortuitous blunders by the Soviets which could have the effect of enhancing verification.

We have had over 5 years' experience in monitoring Soviet compliance with the ABM treaty and the Interim Agreement. We have demonstrated our ability to verify compliance with the SALT I agreements with high confidence. This experience reinforces our assessment of the capabilities of U.S. national technical means to verify compliance with SALT agreements. The United States has promptly raised with the Soviets any unusual or am-

biguous activities which gave rise to U.S. concern. Consequently, the Soviets are well aware that the United States will call them into account for any questionable activities related to their strategic programs and will expect satisfactory clarification or resolution of the problems involved.

Since monitoring will always be subject to some degree of uncertainty, we must also assess the likelihood that the Soviets would cheat, taking into account the benefits that would accrue to them from such cheating, as well as the risks of their being detected. As a

matter of prudence, therefore, we analyze scenarios involving altered or covert Soviet practices that could adversely affect our confidence in Soviet compliance. The following considerations are some that the Soviets must take into account before making a decision to cheat or not to cheat:

- (1) Their uncertainty about our overall capability to monitor and analyze their activities;
- (2) The potential U.S. reaction to discovered cheating; and
- (3) The possible strategic gains from cheating.

It must be stressed that, as noted previously, the United States does not rely on trust, on Soviet intentions, or on political incentives for the Soviets to comply in assessing whether verification of a SALT agreement is adequate. Such judgments must be based most heavily on our monitoring capabilities, especially with regard to potentially significant Soviet non-compliance and on the U.S. ability to respond in a timely manner to possible Soviet cheating.

Finally, as with all aspects of a treaty, we must decide whether particular provisions and the agreement as a whole represent a net gain for U.S. security compared to the absence of such provisions or to the no-treaty case. The projected higher levels of Soviet capability in the absence of a treaty would have to be matched or countered by expanded U.S. programs, probably with no net increase in U.S. security. So long as U.S. programs that may be required to hedge against lower monitoring confidence are not unduly restricted by the treaty, some uncertainties can be accepted in an overall agreement that serves U.S. security interests.

As stated previously, the verification tasks of the anticipated SALT II agreement can be grouped into three categories—counting, measuring capability, and other tasks which, in general, are bans on certain types of systems and conduct. The scope of these tasks are illustrated in the attached table. (Deleted) Our judgment that the proposed agreement is adequately verifiable is based on an analysis of these tasks. The reasons for this judgment are reflected in the fol-

lowing discussion of the major verification tasks posed by the agreement

Overall Verifiability of Agreement

In assessing the adequacy of verification of the agreement, it is important to consider its totality and not particular provisions.

A consideration in determining whether the agreement as a whole is adequately verifiable has been whether the Soviets could exploit the monitoring uncertainties of several individual provisions, each of which is judged to be adequately verifiable, in a way that would affect our national security interests. We have confidence that we can adequately verify compliance in such a context because the probability of detecting the fact of cheating increases markedly if the number of provisions being violated increases. Combined with the likelihood of detecting significant cheating on individual limitations, the ability to detect the fact of small cheating on a number of provisions enhances our monitoring confidence.

The Soviets cannot be sure of our overall capability to monitor a SALT II agreement. Thus, Soviet planners would be expected to make careful conservative assumptions regarding U.S. verification capabilities. For example, a slightly less than 50 percent chance of detection, which is considered "low confidence" in monitoring capability to the United States, would probably appear as "high risk" to a Soviet planner contemplating cheating. Given U.S. research and development hedges and our greater industrial and technological base, the Soviets would not likely undertake this risk without the attendant danger of U.S. abrogation.

In sum, although the possibility of some undetected cheating in certain areas exists, such cheating would not alter the strategic balance in view of our U.S. programs. However, any cheating on a scale large enough to affect the strategic balance would be discovered in time to make an appropriate response. For these reasons, and others noted in this paper, we believe that the SALT II agreement, taken as a whole, is adequately verifiable.

ACDA press release 5 of Mar. 1, 1978.

February 23, 1978

Honorable John Sparkman
Chairman, Committee on
Foreign Relations
U.S. Senate

Dear Mr. Chairman:

This letter is in response to your request of February 1 for a report on the verifiability of the proposed SALT TWO agreement as provided for in the Arms Control and Disarmament Act Amendment of 1977.

As you know, the SALT TWO agreement is still under active negotiation. It is therefore not possible at this time to make a final assessment of the verifiability of the agreement that may emerge from these negotiations. Nevertheless, on the basis of an extensive and continuing review that has been conducted by all involved agencies in the Executive Branch, it is my judgment that the anticipated SALT TWO agreement is adequately verifiable by existing national technical means. This judgment is based on an assessment of the verifiability of the individual provisions of the agreement and of the agreement as a whole. The considerations leading to this judgment are reflected in the attached report which has been prepared and agreed to by the agencies in the Executive Branch concerned with this issue. I commend this report, which has my personal endorsement, to you for your consideration of this important issue.

Very truly yours,

PAUL C. WARNEK

THE PRESIDENT: *National Security Interests*

hundred and ninety-eight years in the southern part of your country. 400 North Carolina militiamen took up arms in our own war of independence. Against a force of 1,300 British soldiers, the North Carolinians prevailed—and their battle at Rams Mill became a step on the road to victory at Yorktown 1 year later.

Your ancestors in North Carolina mined in Georgia and their neighbors throughout the Thirteen Colonies earned our freedom in combat. That is a sacrifice which Americans have had to make time and time again in our nation's history. We've learned that strength is the final protector of liberty.

This is a commitment and a sacrifice that I understand well, for the tradition of military service has been running deep for generations in my family. My first ancestor to live in Georgia, James Carter, who moved from North Carolina, fought in the Revolution. My father was a first lieutenant in World War I. My oldest son volunteered to go to Vietnam. I spent 11 years of my life as a professional military officer in the Navy. This is typical of American families.

Known through the generations, the purposes of our Armed Forces have always been the same, no matter what generation it was: to defend our security when it's threatened and, through demonstrated strength, to reduce the chances that we will have to fight again. These words of John Kennedy still guide our actions, and I quote him: "The purpose of our arms is peace, not war—to make certain they will never have to be used." That purpose is unchanged. But the world has been changing and our responses as a nation must change with it.

This morning I would like to talk to you about our national security—where we now stand, what new circumstances we face, and what we are going to do in the future.

Current Standing

Let me deal at the beginning with some myths. One myth is that this country somehow is pulling back from protecting its interests and its friends around the world. That is not the case, as will be explained in this

speech and demonstrated in our actions as a nation.

Another myth is that our defense budget is too burdensome and consumes an undue part of our federal revenues. National defense is, of course, a large and important item of expenditures, but it represents only about 5% of our gross national product and about a quarter of our current federal budget.

It also is a mistake to believe that our country's defense spending is mainly for intercontinental missiles or nuclear weapons. Only about 10% of our defense budget goes for strategic forces or for nuclear deterrence. More than 50% is simply to pay for and support the services of the men and women in our Armed Forces.

Finally, some believe that because we do possess nuclear weapons of great destructive power, that we need do nothing more to guarantee our nation's security. Unfortunately, it's not that simple. Our potential adversaries have now built up massive forces armed with conventional weapons—tanks, aircraft, infantry, mechanized units. These forces could be used for political blackmail, and they could threaten our vital interests unless we and our allies and friends have our own military strength and conventional forces as a counterbalance.

Of course, our national security rests on more than just military power. It depends partly on the productive capacity of our factories and our farms; on an adequate supply of natural resources with which God has blessed us; on an economic system which values human freedom above centralized control; on the creative ideas of our best minds; on the hard work, cohesion, moral strength, and determination of the American people; and on the friendship of our neighbors to the north and south. Our security depends on strong bonds with our allies and on whether other nations seek to live in peace and refrain from trying to dominate those who live around them.

But adequate and capable military forces are still an essential element of our national security. We, like our ancestors, have the obligation to maintain strength equal to the challenges of the world in which we live, and we Americans will continue to do so.

New Circumstances

Let us review briefly how national security issues have changed over the past decade or two. The world has grown both more complex and more interdependent. There is now a division among the Communist powers. The old colonial empires have fallen, and many new nations have risen in their place. Old ideological labels have lost some of their meaning. There have also been changes in the military balance among nations. Over the past 20 years, the military forces of the Soviets have grown substantially, both in absolute numbers and relative to our own.

There also has been an ominous inclination on the part of the Soviet Union to use its military power—to intervene in local conflicts, with advisers, with equipment, and with full logistical support and encouragement for mercenaries from other Communist countries, as we can observe today in Africa.

This increase in Soviet military power has been going on for a long time. Discounting inflation, since 1960 Soviet military spending has doubled, rising steadily in real terms by 3 or 4% a year, while our own military budget is actually lower now than it was in 1960. The Soviets, who traditionally were not a significant naval power, now rank number two in world naval forces.

In its balanced strategic nuclear capability, the United States retains important advantages. But over the past decade, the steady Soviet buildup has achieved functional equivalence in strategic forces with the United States.

U.S. Responses

These changes demand that we maintain adequate responses—diplomatic, military, and economic—and we will.

As President and as Commander in Chief, I am responsible, along with the Congress, for modernizing, expanding, and improving our Armed Forces whenever our security requires it. We've recently completed a major reassessment of our national defense strategy. And out of this process have come some overall principles designed to preserve our national security during the years ahead.

• We will match, together with our allies and friends, any threatening power through a combination of military forces, political efforts, and economic programs. We will not allow any other nation to gain military superiority over us.

• We shall seek the cooperation of the Soviet Union and other nations in reducing areas of tension. We do not desire to intervene militarily in the internal domestic affairs of other countries nor to aggravate regional conflicts. And we shall oppose intervention by others.

• While assuring our own military capabilities, we shall seek security through dependable, verifiable arms control agreements wherever possible.

• We shall use our great economic, technological, and diplomatic advantages to defend our interests and to promote American values. We are prepared, for instance, to cooperate with the Soviet Union toward common social, scientific, and economic goals. But if they fail to demonstrate restraint in missile programs and other force levels or in the projection of Soviet or proxy forces into other lands and continents, then popular support in the United States for such cooperation with the Soviets will certainly erode.

These principles mean that, even as we search for agreement in arms control, we will continue to modernize our strategic systems and to revitalize our conventional forces. And I have no doubt that the Congress shares my commitment in this respect.

We shall implement this policy that I've outlined so briefly in three different ways:

- By maintaining strategic nuclear balance;
- By working closely with our NATO allies to strengthen and modernize our defenses in Europe; and
- By maintaining and developing forces to counter any threats to our allies and friends in our vital interests in Asia, the Middle East, and other regions of the world.

Let me take up each of these three in turn.

Strategic Nuclear Balance. Our first and most fundamental concern is to prevent nuclear war. The horrors of nuclear conflict and our desire to reduce the world's arsenals of fearsome nuclear weapons do not free us from the need to analyze the situation objectively and to make sensible choices about our purposes and means.

Our strategic forces must be—and

must be known to be—a match for the capabilities of the Soviets. They will never be able to use their nuclear forces to threaten, to coerce, or to blackmail us or our friends.

Our continuing major effort in the Strategic Arms Limitation Talks (SALT) taking place every day in Geneva are one means toward a goal of strategic nuclear stability. We and the Soviets have already reached agreement on some basic points, although still others remain to be resolved. We are making good progress. We are not looking for any one-sided advantage.

But before I sign any SALT agreement on behalf of the United States, I will make sure that it preserves the strategic balance, that we can independently verify Soviet compliance, and that we will be at least as strong, relative to the Soviet Union, as we would be without any agreement.

But in addition to the limits and reductions of a SALT II agreement, we must take other steps to protect the strategic balance. During the next decade, improvements in the Soviet missiles can make our land-based missile forces in silos increasingly vulnerable to a Soviet first strike. Such an attack would amount to national suicide for the Soviet Union. But however remote, it is a threat against which we must constantly be on guard.

We have a superb submarine fleet which is relatively invulnerable to attack when it's at sea, and we have under construction new Trident submarines and missiles which give our submarine ballistic missile force even greater range and security. I have ordered rapid development and deployment of cruise missiles to reinforce the strategic value of our bombers. We are working on the M-X intercontinental ballistic missile and a Trident II submarine-launched ballistic missile to give us more options to respond to Soviet strategic deployments. If it becomes necessary to guarantee the clear invulnerability of our strategic deterrent, I shall not hesitate to take actions for full-scale development and deployment of these systems.

Our strategic defense forces, our nuclear forces, are a triad—land-based missiles, sea-based missiles, and air-breathing systems, such as bombers and cruise missiles. Through the plans I've described, all three legs of this triad will be modernized and improved. Each will retain the ability, on its own, to impose devastating retaliation upon an aggressor.

Cooperation With NATO. For 30 years and more we've been committed to the defense of Europe, bound by the

knowledge that Western Europe's security is vital to our own. We continue to cooperate with our NATO allies in a strategy for flexible response, combining conventional forces and nuclear forces so that no aggressor can threaten the territory of Europe or its freedom, which, in the past, we have fought together to defend.

For several years we and our allies have been trying to negotiate mutually agreed and balanced reduction in military forces in Europe with the Soviets and the Warsaw Pact nations and their allies. But in the meantime the Soviets have continued to increase their forces beyond the level necessary for defense. In the face of this excessive Soviet buildup and our NATO allies have had to take important steps to cope with short-term vulnerabilities and respond to long-term threats. We are significantly strengthening U.S. forces stationed in Western Europe and improving our ability to speed additional ground and air forces to the defense of Europe in time of crisis.

Our European allies—who supply the major portion of NATO's conventional combat strength—are improving their readiness and their reinforcement capabilities and their antitank defenses. The heads of NATO governments will be here in this country attending the summit meeting in May, where we will address a long-term defense program which will expand and integrate more closely our allied defense plans.

Other Vital Interests. For many years, the United States has been a major world power. Our longstanding concerns encompass our own security interests and those of our allies and friends far beyond our own shores in Europe.

We have important historical responsibilities to enhance peace in East Asia, in the Middle East, in the Persian Gulf, and throughout our own hemisphere. Our preference in all these areas is to turn first to international agreements that reduce the overall level of armaments and minimize the threat of conflict. But we have the will, and we will also maintain the capacity, to honor our commitments and to protect our interests in those critical areas.

In the Pacific, our effective security is enhanced by mutual defense treaties with our allies and by our friendship and cooperation with other Pacific nations.

Japan and South Korea, closely linked with the United States, are located geographically where vital interests of great powers converge. It is in

News Conferences, February 17, March 2 and 9 (Excerpts)

FEBRUARY 17

Q. Knowing tension already exists over the Israeli settlement policy, do you have any second thoughts about the timing of your announcement to sell war planes to Egypt, or was the timing of that announcement and our public statements about the Israeli settlement policy a message to the Israelis to become more flexible in the current negotiations?

A. The two were not interrelated in my decisionmaking process. When I was in Saudi Arabia earlier in January, I told them that shortly after the Congress reconvened I would send up a recommendation for military sales to the Middle East.

Every time I've ever met with Prime Minister Begin, both in the public sessions—that is with staff members—and also in my private sessions with just him and me present, this has been the first item that he's brought up: "Please expedite the approval of the sales of military planes to Israel."

I think that the timing is proper. We're not trying to short circuit the allotted time for the Congress. As a matter of fact, we will not begin the process until after the Congress reconvenes, the Senate reconvenes. So there will be a full 50 days for the Congress to consider the matter. Twenty days after this

coming Monday, I'll send up official papers. I don't think it's a bad time to send it up.

I recognized ahead of time that there would be some controversy about it. And we did give it second and third thoughts before I made a decision about the composition of the package and the date for submitting it.

Q. On the Middle East, arms to the Middle East, I want to ask a kind of philosophic question. How do you rationalize the idea of selling weapons, more sophisticated weapons of war, with the argument that they would help to bring about peace?

Does it bother you that these more and more sophisticated weapons are being sold to both sides, and if a new war were to break out, it would be a more violent confrontation than any in the past?

A. As you know, we are not introducing new weapons into the Middle East. F-15's are already being delivered into the Middle East. Also, I have pledged myself to cut down on the volume of weapons each succeeding year as long as I am in office, barring some unpredictable worldwide military outbreak. This year there will be less weapons sales than last year. This will include, of course, the Middle East.

I think it's very good for nations to

Conclusion

arms control agreements are a major tool as instruments of our national security, but this will be possible only if we maintain appropriate military force levels. Reaching balanced, verifiable agreements with our adversaries can be in the cost of security and reduce the risk of war. But even then, we must—no matter how difficult—proceed efficiently with our own programs. Our own security requires.

When I leave this auditorium, I shall be going to visit with the crew aboard one of our most modern nuclear-powered aircraft carriers in the Atlantic Ocean. The men and women of our Armed Forces remain committed as professionals and as patriotic Americans to our common defense. They must stand constantly ready to fight, in the hope that through strength, combat will be prevented. We as Americans will always support them in their courageous vigil.

This has been a serious and a sober talk, but there is no cause for pessimism. We face a challenge, and we will do whatever is necessary to meet it. We will preserve and protect our country and continue to promote and to maintain peace around the world. This means that we shall have to continue to support strong and efficient military forces.

For most of human history, people have wished vainly that freedom and

the flowering of the human spirit, which freedom nourishes, did not finally have to depend upon the force of arms. We, like our forebears, live in a time when those who would destroy liberty are restrained less by their respect for freedom itself than by their knowledge that those of us who cherish freedom are strong.

We are a great nation, made up of talented people. We can readily afford the necessary costs of our military forces, as well as an increased level, if needed, to prevent any adversary from destabilizing the peace of the world. The money we spend on defense is not wasted any more than is the cost of maintaining a police force in a local community to keep the peace. This investment purchases our freedom to fulfill the worthy goals of our nation.

Southerners, whose ancestors 100

years ago knew the horrors of a homeland devastated by war, are particularly determined that war shall never come to us again. All Americans understand the basic lesson of history: that we need to be resolute and able to protect ourselves, to prevent threats and domination by others.

No matter how peaceful and secure and easy the circumstances of our lives now seem, we have no guarantee that the blessings will endure. That is why we will always maintain the strength which, God willing, we shall never need to use. □

Address at Wake Forest University in Winston-Salem, N.C., on Mar. 17, 1978 (introductory paragraphs omitted); for full text, see Weekly Compilation of Presidential Documents of Mar. 27.

turn to us for their security needs, instead of having to turn to the Soviet Union as they have in the past. I am talking specifically about Egypt. You have to remember that Saudi Arabia has never had any active aggression against Israel. Saudi Arabia is our ally and friend. Egypt is our ally and friend. Israel is our ally and friend.

To maintain security in that region is important. Egypt has other threats against its security. The Soviets are shipping massive quantities of weapons into the Middle Eastern area now, into the Red Sea area—Ethiopia, into Syria, Iraq, Libya—and we cannot abandon our own friends. So I don't think it is wrong at all to insure stability or the right to defend themselves in a region with arms sales.

We are continuing multinational negotiations with other sellers of weapons to get them to join with us in a constant step-by-step, year-by-year reduction in total arms sales. If they do, I think the world will be much more peaceful in the future.

MARCH 2

Q. What are you going to do about the deteriorating dollar and the basic cause of its collapse, soaring foreign oil imports? And a related question, saying that European financial officials say the United States should defend the dollar more vigorously.

A. I spent a lot of time studying about the American dollar, its value in international monetary markets, the causes for the recent deterioration as it relates to other major currencies. I can say with complete assurance that the basic principles of monetary values are not being adequately assessed on the current international monetary markets. There are three that I would like to mention specifically.

- First of all, the attractiveness of investment in our own country compared to other nations is rapidly increasing. One of the reasons is the higher interest rates that can be paid on investments in our country.

- Another one is the rapidly increasing consumption of oil that occurred during 1977. This caused us a great deal of concern. In 1978 we will not have that circumstance. Present trends and future projections show that at the worst we'll have a leveling off of imports of foreign oil, one of the major causes of legitimate deterioration in the quality of the dollar.

- And the other point is the degree with which American economic recovery or growth compares to potential

purchases of our own goods. In this last year, our own rate of growth was about 3% greater than the average of our major trading partners. That difference will be substantially less in 1978. We will still have adequate growth, but our major trading partners will have better growth than they had last year.

These three basic causes in 1977 for some lowering in the dollar's value will be much better in 1978. We do move aggressively and adequately to prevent disorderly market circumstances when that need is obvious to us. We'll continue to do that. But my own belief is that these basic principles that assess the legitimate value of the dollar have not been adequately observed recently. My guess is that in the future over a longer period of time, what I've just told you will be observed and the dollar will remain in good shape.

Q. Later this month you'll be meeting with Prime Minister Menahem Begin from Israel. What do you hope to achieve during your meetings with the Prime Minister?

A. This will be my third meeting with Prime Minister Begin since he's been the leader of Israel. In addition, I communicate with him fairly frequently by personal letter, by diplomatic message, and on occasion by telephone. And both our own Secretary of State and other officials and his secretary of state and other officials come here frequently. Defense Minister Weizman will be here shortly to consult with me and with the Secretary of Defense, Secretary of State, and others.

We are looking for some common ground on which the Egyptians, the Israelis, the Jordanians, the residents of the West Bank, and other areas can agree.

This is a difficult and sensitive question. As you know, the Gaza Strip has had an affiliation in the past with Egypt, the West Bank with Jordan, both now occupied by Israel. And we hope to search out at the top level of government some resolution of the differences on specifics relating to the Sinai and also on a statement of principles relating to the occupied territories of the West Bank and the Gaza Strip, hoping at that time that Egypt and the Jordanians and the Palestinian Arabs who live in the West Bank, Gaza Strip would be satisfied to conclude perhaps some agreements and to proceed with further negotiations leading to an ultimate resolution of the issue, based on U.N. Resolution 242.

One of the crucial elements of any progress in the Middle East is a cleav-

ing to the commitment that U.N. 242 is a basis for continued negotiations and a solution. The abandonment of that would put us back many months or years. So, this is what I hope to accomplish with Prime Minister Begin to frankly discuss with him my previous agreements and discussions with President Sadat, to encourage direct negotiations to be resumed, and to search for a common ground, based on advice given to me by Secretary of State Vance and also by Mr. Atherton [Alfred L. Atherton, Jr., Assistant Secretary for Eastern and South Asian Affairs] on the latest possible language change that might be necessary to let Egypt and Israel agree. This is what I hope to accomplish, and I believe the personal discussions will be good.

I would much prefer that the personal discussions be carried on between Sadat and Begin. But in the absence of that possibility at this moment, we hope to restore it and act as an intermediary.

Q. With the Soviets active now in the Horn of Africa, and with other strains in U.S.-Soviet relations, what hope do you have for early resumption of SALT talks?

A. The SALT talks have never been discontinued or delayed. They are going now, and the Soviet involvement in the Horn has not interrupted the process. We do not initiate any government policy that has a linkage between the Soviet involvement in the Ethiopia-Somalia dispute on one hand and SALT or the comprehensive test ban negotiations on the other.

Obviously any negotiation, if concluded successfully at the executive level, would have to be ratified by Congress, who would be heavily influenced by opinion of the American people. And the fact that the Soviets have overarmed to the teeth the Somalis, who then use Soviet weapons to invade Ethiopia and now are overarming Ethiopia and directing their military effort has caused a threat to peace in the Horn area of Africa.

We have added our own important opportunities for a peaceful resolution to our own caution comments to the Soviets. They have assured me directly through Foreign Minister Gromyko that the Ethiopians would not cross the Somalia border. We have sent a delegation to meet with President Mengistu who assured me personally that they would not cross the Somalia border.

We have three hopes there that trust and certainly hope that the Soviets will honor.

One is a Somalian withdrawal from the territories which they occupy in eastern Ethiopia, in the Ogaden area. Secondly, a removal from Ethiopia of Cuban and Soviet troops; and Third, a lessening of the tensions which exist between those countries and the honoring of the sometimes arbitrarily drawn international boundaries in the area.

And we hope that the OAU—the Organization of African Unity—will become more successful in their efforts to resolve this dispute in a peaceful way. But at this time, Somalia is the invading nation. We have refused to send any weapons into that area or permit third countries who bought weapons from us to transfer them into that area, and I think our policy is completely accurate.

The Soviets' violating of these principles would be a cause of concern to us. It would lessen the confidence of the American people in the word and the peaceful intentions of the Soviet Union, would make it more difficult to carry a SALT agreement or comprehensive test ban agreement if concluded, and therefore the two are linked because of actions by the Soviets. We don't initiate the linkage.

We have several questions related to the Braniff Airways low-cost service between Dallas and London. First of all, have you received a recommendation from the CAB [Civil Aeronautics Board] for retaliatory action, and do you plan to take such action against the British carrier? And secondly, do you believe that the British Government is abiding by its commitments in the Bermuda II air-lin agreements?

I have not received a recommendation from the CAB at this moment. When the recommendation gets to me, my law, will have to act and will act immediately.

I don't know enough about the issue, the details of the British Government's ruling, to know whether or not they have violated the agreement that was concluded this past year. My guess is, knowing the British, that they have not violated the agreement specifically. But, as you know, an agreement can't be that detailed to anticipate every individual ruling that will be concluded by the CAB on our side or its equivalent agency on the British side. I don't know much about the issue yet.

But if there is a violation, we would express our concern directly to Prime Minister Callaghan. And when the CAB gives me a report and a recommendation, the chances are that I could honor it.

We have had notable success in 1977 in increasing competition, particularly in international routes of air carriers. We have encouraged the additional competition of American airlines in this area, as well. We hope to get the Congress to act on substantial deregulation in the airline industry within our country. I believe that we've made notable success already, and we have withstood a tremendous pressure from the British to have more government protection, which would be contrary to competition in the agreement that we reached last year.

MARCH 9

I have another statement to make. Last night, I was informed by President Siad Barre of Somalia that he was agreeing to withdraw his forces from the Ogaden area, the occupied areas of Ethiopia, and just the last few minutes, he confirmed this commitment to me with a public statement.

I welcome President Siad Barre's announcement of this decision. The United States hopes that this decision will result in an immediate halt of the bloodshed in that area of the Horn of Africa. We hope that the Organization of African Unity can move quickly to assist all parties to terminate hostilities, to agree quickly on rules that can be observed so that Somali forces can retire rapidly into their own territory and to insure that peaceful conditions are restored among the civilian population.

As soon as Somali forces have withdrawn completely, and as soon as Ethiopian forces have reestablished control over their own territory, withdrawal of the Soviet and Cuban combat presence should begin.

The United States looks forward to the complete withdrawal of all foreign forces from the two countries—Ethiopia and Somalia—at an early date. We stand ready to assist the Organization of African Unity in working out the basis for negotiations between Ethiopia and Somalia which would insure the territorial integrity of all countries in the region and the honoring of international boundaries.

Q. Does that Somalia announcement cause you to look any more favorably on Somali requests for American arms, assuming they go through with it?

A. We notified Somalia many months ago that as long as they were in occupied territory, that there would be no consideration on our part for defen-

sive arms of any kind. I think it would require a tangible demonstration of the carrying out of this commitment on the part of the Somalians and also a renewed commitment not to dishonor the international boundaries of either Ethiopia or Kenya before we would be willing to discuss with them economic aid or defensive arms supplies.

In this case, working with the Organization of African Unity and the Congress, we would consider this in a routine manner, but not until—

Q. On the Middle East, the State Department today reaffirmed that U.N. Security Council Resolution 242 remains, in our view, the bedrock of our effort to bring peace to that area and more or less served notice on the Israeli Government not to take any decision to renounce that. Could you state for us what your understanding or your interpretation of Security Council Resolution 242 is and what your understanding of the Israeli position on this is?

A. U.N. Resolution 242 was passed about 10 years ago. Since then it has been endorsed with practically no equivocation by our own country, by the entire international community, by the Israeli Government, and by the Arab countries who border on Israel. It calls for the withdrawal of Israel from territories occupied in the 1967 war. It calls for the restoration of security of Israel behind recognized and defensible borders. And this has been the basis on which all of our efforts since I've been in office, and also my predecessors' efforts, have been based.

For any nation now to reject the application of 242 to the occupied territories, including the West Bank, the Sinai, the Golan Heights, would be a very serious blow to the prospects of peace in the Middle East.

In addition to the principles that I've just described to you, we've also been working with complete commitment and with some substantial success, particularly in the case of Egypt, to insure that Israel will not only be blessed with a cessation of hostilities but also with a full restoration of peace, open borders, diplomatic relations, free trade, exchange of tourism and students, and cultural exchanges. This is a prospect that we still have. But the abandonment of U.N. Resolution 242, as it applies to the West Bank and other occupied territories, would be a very serious blow to the prospects of peace and a complete reversal of the policy of the Israeli Government and other governments in the area.

Q. You have spoken many times of the commitment that the United States has for the security of Israel. In 1975, in September, the Sinai II agreement said specifically that the United States would promise to give advanced aircraft, such as the F-16, at an unspecified time and number, to Israel.

Why is that promise of the United States now made part of a package deal? In other words, why is it tied to approval for aircraft to other countries, Egypt and Saudi Arabia?

A. We are honoring completely the commitments made to Israel in the fall of 1975 concerning an adherence on our part to the adequate defense capabilities of Israel, including advanced aircraft like the F-15 and the F-16.

Some orders of this kind have already been placed, accepted, and deliveries are in prospect. Some planes have already been delivered. And the proposal that I've made to Congress on the arms sales package is compatible with that commitment.

In the fall of 1975, commitments were also made to the Saudi Arabians, to provide them with advanced aircraft, to replace their present *Lightning* planes which are becoming obsolete.

Later, in the Ford Administration in 1976, in the fall, a commitment was made to them to send Defense Department officials to Saudi Arabia, to give them some assessment of the characteristics of the F-15's and F-16's, with a commitment then made that they would have their choice between the 16's and the 15's.

When Crown Prince Fahd came to our country last spring, I repeated this commitment, that had been made by my own predecessors in the White House, and so the sale of F-15's to Saudi Arabia is consistent with the commitment also made in the fall of 1975 and repeatedly reconfirmed.

The sale of the F-5E's—a much less capable airplane, by the way—to the Egyptians is, I think, a very legitimate proposal, because Egyptians in effect have severed their supply of weapons that used to come from the Soviet Union and have cast their lot with us, which is a very favorable development in the Middle East, one of the most profound developments of all.

I have no apology at all to make for this proposal. It maintains the military balance that exists in the Middle East. I can say without any doubt that the superior capabilities of the Israeli Air Force, compared to their neighbors, is maintained, and at the same time, it reconfirms our own relationship with the moderate Arab leaders and nations for

the future to insure that peace can be and will be maintained in the Middle East.

Q. On the same subject, we've seen reports in recent days from the Middle East, from both Cairo and Jerusalem, that in effect President Sadat's initiative has come to an end, that it has come aground. We also see reports from Jerusalem that ministers in the Israeli Government have decided that there is no deal to be made at this time. Could you give us your assessment of where this stands and where you think it's going to go?

A. As is the case in the White House and in the Congress, and in the United States, there is a difference in Israel, a very heated debate in prospect and already in progress about what should be done to bring about peace in the Middle East. There are obviously differences also between nations, between Egypt and Israel, between Israel and their other neighbors.

I would say that in comparison to the situation a year ago, the prospects for comprehensive peace in the Middle East are quite good. We would hope that there could be an immediate resolution of all the differences. That's not immediately in prospect.

Prime Minister Begin will be coming to visit with me this coming week.¹ I know him very well. I've met with him twice before. He is a very strong advocate, a very dedicated advocate of the position of the Israeli Government. He's a forceful and outspoken person. And I'm sure after our meeting, we will at least understand each other better.

I hope we can move another step toward peace. I had an equivalent opportunity this year to meet and to have long discussions with President Sadat.

I would say that there's been a great deal of progress made. Just looking at the changes from the viewpoint of the Israelis, we have now the major Arab nation who has recognized Israel's right to exist, right to exist in peace, right to exist permanently, has offered the full definition of peace which I described earlier. They have been meeting directly and personally, Begin and Sadat and their representatives, which was not in prospect at all a year ago.

There are still differences between them—relatively minor differences in the Sinai, more major strategic kinds of differences involving the Palestinian question and the implementation of U.N. 242. So we've got a long way to go.

It's a difficult question that's been one of the most challenging, I guess, in

the last 30 years for the world, to bring about peace in the Middle East. I'm not discouraged about it. We're going to stick with it. And even though it takes a lot of time and much argument and much debate and many differences expressed by all public officials, I intend to stay with it. And I believe American people are deeply committed to two things: one is the security of Israel under any circumstances, and secondly, the achievement of comprehensive peace.

Q. Mark Seigel, one of your aides, quit today, and you accepted his resignation with regret. He cited as a reason, differences with your Middle East policy.

His resignation, to many, symbolizes the split in the American Jewish community over the inter-debate that's going on over our Middle East policy. And with Begin coming, I wonder if you could tell what differences there are between the two of us, what your position is on these differences, and a comment on the report that you're going to pressure him to make significant concessions?

A. I don't have any intention to pressure Prime Minister Begin. I don't have any desire to do it and couldn't if I wanted to. He's a very strong and independent person representing a strong and independent nation. Our role has been that of an intermediary. And one of the most pleasant respites that I had since I've been in office was a brief time when Prime Minister Begin and President Sadat were negotiating directly and I was out of the role carrying messages back and forth.

This is, however, a situation that I now deteriorated to some degree since President Sadat went to Jerusalem. Both the military and the political talks are now interrupted—we hope temporarily.

One of the things I will be doing to repeat to Prime Minister Begin personally the request and the negotiating positions of President Sadat. As we've tried to do this through our ambassadors and through our negotiators, Mr. Atherton, in the Mideast, and I think perhaps I can do it perhaps a little more effectively.

But the differences that exist between them are well-known. In the Sinai, as I said, they are relatively easy to resolve—the Jewish settlements, the placement of Egyptian forces in the Sinai, and some continuation of Israeli control over some airfields or aerodromes, and the rapidity with which

... would withdraw from the Sinai
the West Bank, Gaza Strip, this
... implementation of U.N. Res-
... 242 and some resolution of the
... Palestinian question. We do not and
... have favored an independent
... Palestinian nation, but within that
... of constraint, how to give the
... Palestinians who live in the West
... Gaza Strip some voice in the de-
... mination of their own future, is an
... still unresolved.
... outlines very briefly the situa-
... that we're presently in.

In view of the great amount of
discussion that's going on now about
national Rhodesian settlement, which
includes the Patriotic Front, is it
possible in your view, to have a set-
tlement of the Rhodesian crisis with-
out including Mr. Nkomo [Joshua
Nkomo, President, Zimbabwe Afri-
can People's Union] and Mr. Mugabe
[Robert Mugabe, Secretary General,
Zimbabwe African National Union]?
I would doubt that we could have
a permanent settlement without includ-
ing the right for all the nationalist lead-
ers to participate. That would include
Mugabe, Sithole [Reverend Ndabaningi
Sithole, head of the African National
Council/Sithole], and would also, of
course, include Nkomo as well.
Morewa [Bishop Abel Muzorewa,
head of the African National Council].
Another leader, was here yesterday
and met with Secretary Vance. We
also had a meeting, yesterday after-
noon, between myself, Secretary
Vance, and the Foreign Minister of
Great Britain, David Owen. And we
reaffirmed our position, which has
been consistent, that the Anglo-
American plan is the best basis for a
permanent resolution of the Rhodesian
or Zimbabwe question. It's one that's
substantially supported by the front-line
presidents, presidents of those nations
surrounding Rhodesia. And it has not
been accepted completely by Nkomo
and Mugabe, the freedom force leaders
outside of Rhodesia.

We hope now that we can have a
conference of all the interested
nationalist leaders to try to work out

the disparity between the internal set-
tlement proposal, which is not
adequate, and the so-called Anglo-
American plan, which we believe to be
adequate.

We've not rejected the individual
component parts of the so-called inter-
national settlement plan. To the extent that
they are consistent with the overall
Anglo-American plan provisions, they
are a step in the right direction. But I
think that it must be that any permanent
settlement would include the right of
all the interested nationalist leaders to
seek the leadership of Rhodesia.

**Q. Can you tell us why you think
the dollar is declining abroad? What
are you going to do about it, and do
you think it's time for more tougher
measures to curb inflation here in the
United States?**

A. This is a matter with interna-
tional implications. I had a long talk
this morning on the phone with Chan-
cellor Helmut Schmidt. This was one
of the subjects that we did discuss. And
German and American officials will be
meeting this weekend to try to have a
common approach to eliminating, or
certainly reducing, the disorderly mar-
keting of the currencies of the world.

We have had a policy of intervening
in the monetary markets only when
disorder did occur, when there were
fluctuations that were not warranted or
that caused us some concern. I think
recently the value of the dollar has
been fairly well stable with the
deutsche mark at about 2.02

One of the things that has been
pointed out to me is that the factors that
caused a lowering of the dollar's value,
compared to some of the stronger cur-
rencies—Swiss francs, Japanese yen,
German deutsche marks—in this past
year are being alleviated.

Higher interest rates in our country
now, caused by various factors, make
investments in the United States more
attractive than they were last year. We
had a high increase in 1977 in the
amount of oil imported. My guess is
that this year, we will not have that in-
crease in imported oil.

Last year, we had a much higher in-
crease in our gross national product, a

much more vigorous economy that
made it possible for us to buy foreign
goods better than foreigners could buy
our goods.

I think the difference was about a 3%
rate of growth. Because of the more
vigorous economies in some of our
foreign trading partners, countries, this
year, that difference is certainly likely
to narrow.

Chancellor Schmidt told me that the
last quarter in 1977 in Germany the
GNP growth was 6%. This was higher
than he had anticipated, and he didn't
think that it was going to be maintained
constantly, but he was pleased with
that.

I think those factors all point to the
very good strength of the dollar and, on
a long-term basis, it being fairly well
priced compared to foreign currencies.
But any shocks to the market, any dis-
orderly marketing will require us to
intercede, and I will do so. □

*For complete texts of news conferences of Feb.
17 (in Providence, Rhode Island), Mar. 2 (at
the National Press Club), and Mar. 9, 1978,
see Weekly Compilation of Presidential Docu-
ments of Feb. 27, p. 331; Mar. 6, p. 438; and
Mar. 13, p. 489, respectively.*

¹Prime Minister Begin's arrival in the United
States was delayed until Mar. 20.

President Carter's Trip

As the BULLETIN goes to press,
President Carter is completing his trip
to four countries in Latin America and
Africa:

Mar. 28	Venezuela
Mar. 29	Brazil
Mar. 31	Nigeria
Apr. 3	Liberia

The May issue will carry complete
documentation of this trip, including
the President's addresses in Venezuela
and Nigeria and news conference in
Brazil. □

THE SECRETARY: U.S. Foreign Assistance Programs

I am delighted to present the Administration's foreign assistance programs for fiscal year 1979. We are requesting an authorization of \$1.6 billion for our bilateral development assistance program, \$2.7 billion for our security assistance program, and \$282 million for programs of the United Nations and the Organization of American States. Although we do not require authorization in FY 1979, we are planning to contribute \$3.5 billion to the international financial institutions (IFI's)¹ and to undertake a \$1.4 billion program in P.L. 480 Food for Peace for that year.

Today, I would like to explain to you the goals which the Carter Administration seeks to achieve with these programs.

This is the first foreign assistance budget which fully reflects the policies and priorities of the Carter Administration. It was developed after an extensive Administration review of our relations with less developed countries (LDC's) generally and of our foreign assistance programs in particular.

I would like to summarize for you the results of our assessments.

Less Developed Countries

First, our review highlighted the growing importance of less developed countries to U.S. interests. The cooperation of Third World countries is essential in helping to resolve pressing global problems that affect all nations: economic instability or stagnation, rapid population growth, adequate food and energy production, environmental deterioration, nuclear proliferation, terrorism, and the spread of narcotics.

The less developed countries are increasingly important to the economic welfare of the United States. Last year, for example, the non-oil producers alone accounted for 23% of our imports, including a very high percentage of our critical raw materials. They were also the market for 25% of our exports and 25% of U.S. direct investment abroad.

Earnings from U.S. direct investment in these countries in 1975 amounted to \$7.4 billion—more than our total foreign assistance that year. Moreover, in recent years, non-oil-producing less developed countries have bought more from us than we have from them, thereby improving our

trade balance and helping to sustain American production and jobs during the recent recession.

The developing countries are central participants in our quest for peace. Their cooperation is essential to regional stability and peace in the Middle East and southern Africa, to name the most obvious cases. Moreover, we need to work closely with these countries on other security issues as well: in deploying our armed forces effectively and in maintaining access to straits, ports, and aviation facilities, for example.

Second, our review of American relations with the less developed countries also emphasized that their interests and needs vary enormously and require differing responses by the United States. The developing world is really several worlds:

- The OPEC nations with substantial financial surpluses and the ability to pay in full for technical assistance;
- The rapidly industrializing "upper tier" countries such as Brazil and Mexico with access to private capital but with large pockets of poverty;
- The "middle-income" nations like the Dominican Republic or Tunisia which still require some concessional assistance to help the poor; and
- The low-income nations, such as the Sahel countries, which rely heavily on concessional aid to finance their development programs.

Despite their differences, however, the developing countries have worked closely together to support a series of ideas which found expression in their call for a new international economic order. These have included proposals for price stabilizing commodity agreements, automatic debt relief, and permanent trade preferences. The United States has endeavored to respond positively where such efforts would actually promote development. We have also made our own proposals—for example, in negotiations on a common fund for buffer stock financing and on a sugar agreement.

However, we cannot respond favorably to a number of LDC demands, especially their desires to use commodity agreements or blanket debt relief as instruments of resource transfer. Yet we share the aspirations of less developed countries for economic growth and development and understand their

need for additional resources.

It has become clear to us that foreign assistance is among the most important and effective instruments we have for promoting economic development as well as other U.S. interests in LDC's. It addresses problems of development directly. It supports an open international economy. And, as the last 25 years demonstrate, international development efforts have contributed substantially to the growth and well-being of the LDC's.

- The per capita gross national product of LDC's as a group grew at an average rate of 3.4% per year during 1950-75, faster than any group of countries in any comparable period prior to 1950.

- In the past 3 decades LDC's have experienced increases in life expectancy which took the industrialized world a century to achieve.

- Significant progress has been made in expanding shelter, education, nutrition, and food production.

We are also encouraged by the fact that a number of countries—for example, Brazil and Taiwan—have made such rapid and sustained economic progress that they have outgrown need for our bilateral assistance.

Much has been accomplished, but great deal more still needs to be done. There remain profound problems: poverty and underdevelopment in many parts of the world; over 1.2 billion people—30% of the world's population—do not have access to safe drinking water or to any public health facility; 700 million are seriously malnourished; 550 million are unable to read or write; over half the children in LDC's suffer from debilitating diseases. These are difficult problems whose solution will require a sustained effort over many years. Our foreign assistance programs are a critical element in this effort.

Foreign Assistance Programs

Having reviewed our relations with less developed countries generally, I now turn to our review of U.S. foreign assistance programs.

First, it affirmed that these programs serve a variety of objectives in the Third World.

Our bilateral economic assistance programs are aimed at insuring that benefits of development reach the poor and serve their basic human needs.

U.S. contributions to international financial institutions, in addition to supporting projects specifically designed to benefit the poor, also provide loans for larger scale infrastructure projects crucial to development. These institutions provide loans on soft terms to the poorest countries and on nearly commercial terms to countries which are better off but still need additional resources to support continued growth and development.

Our voluntary contributions to development programs help finance technical assistance to poor countries which lack the skills essential to their development. These programs also provide direct humanitarian assistance to children, refugees, and other groups in need of particular relief.

Finally, our security assistance programs serve the cause of peace in troubled areas of the Middle East and southern Africa and strengthen the military capabilities of friendly developing countries.

Second, our review of U.S. foreign assistance gave special attention to the importance of improving the condition of political, economic, and civil rights worldwide and of integrating these basic considerations more fully into our decisions on foreign assistance programs.

Under the chairmanship of the Deputy Secretary of State [Warren Christopher], an interagency group has been established to review all economic development assistance decisions for their human rights impact.

In accordance with our laws, we have opposed loans by the World Bank and other international financial institutions to countries that engage in flagrant violations of human rights. Consistent with legislation, we have also made exceptions when proposed loans would address the needs of poor people.

We have also assessed our security assistance programs in light of human rights considerations.

I would like to say an additional word on our experience with implementing our human rights policies. We have made progress in our efforts to persuade and influence other governments, sometimes in private communication, sometimes with changes in our assistance relationships.

However, we recognize that there is no automatic formula for the applica-

tion of each possible diplomatic tool, including the use of our foreign assistance programs. Human rights conditions along with governmental attitudes and other local factors in individual countries differ greatly. If U.S. efforts to improve human rights abroad are to be successful, our policies must take into account the needs of differing situations.

I believe that any additional legislative restrictions should be reviewed carefully to insure that they achieve the desired effect of promoting human rights goals as well as not undermining the essential functions of the multilateral institutions. If and when additional amendments are contemplated, we will work with you to develop provisions which serve these ends. We believe that the provisions of last year's legislation calling on us to undertake wide international consultation on this complex subject were helpful, and we have begun those consultations. The initial responses were sympathetic.

Third, our policy review has led to the firm conclusion that the effective-

ness of our foreign assistance programs must be improved. As noted below such efforts are underway—in the internal reorganization of the Agency for International Development (AID) and in our efforts to make IFI's more efficient. In addition the Administration is now studying several proposals which involve the overall organization of our foreign assistance programs. These include the proposals contained in the Humphrey bill under consideration in the Senate and House.

We in the executive branch share with the Congress the goal of bringing greater coherence to a more effective foreign assistance effort. We expect to have a Presidential decision on aid organizational issues by the middle of March and will discuss our views with Congress at that time.

Fourth, based upon our review of foreign assistance, the President made several decisions on the future size and direction of our foreign assistance programs.

• Our bilateral development assistance should focus even more sharply

FOREIGN AID ITEMS ¹

New Budget Authority

(\$ millions)

	FY 1977 Actual	FY 1978 Appropriation	FY 1979 Request
Multilateral	1,385	2,157	3,787
International Financial Institutions	1,141	1,926	3,505
International Organizations and Programs	244	231	282
Bilateral—AID	2,879	3,505	3,505
Security Supporting Assistance	1,735	2,211 ²	1,854 ³
Middle East Special Requirements Fund	23	8	(5) ³
Development Assistance	1,121	1,286	1,651
Other Bilateral	193	216	236
Peace Corps	80	88	95
Migration and Refugee Assistance	47	69	71
International Narcotics Control	34	37	40
Inter-American Foundation	—	—	8
Israel-U.S. Binational Industrial Research and Development Fund	30	—	—
Department of Transportation	2	22	22
Military Assistance	989	926	838
Grant Military Assistance	265	220	134
Foreign Military Training	25	30	32
Foreign Military Credit Sales	699	676	672
Total Foreign Assistance Appropriations	5,446	6,804	8,366

¹ Included in foreign assistance and related programs appropriation act—appropriation to Commodity Credit Corporation as required for the P.L. 480 program will be requested with the Department of Agriculture appropriation.

² Includes \$300 million balance-of-payments loan to Portugal.

³ FY 1979 Middle East Special Requirements Fund has been included in the security supporting assistance account.

on helping poor people, largely in poor countries. In some instances, it is appropriate to fund projects which benefit poor people in middle-income countries if the governments of those countries demonstrate a major commitment to meet the needs of their people.

- We should seek substantial increases in our foreign assistance during the 1979-82 period, at the same time insuring that such aid can be effectively and efficiently used.

I would like to turn to our foreign assistance programs for FY 1979 and relate them to the review I have described.

Bilateral Assistance

We are requesting an authorization of \$1.6 billion for our bilateral development assistance program for 1979. This would mean a 15% increase over the FY 1978 program. In accordance with the President's decision to focus our bilateral program more specifically on the poorest countries, 85% of our bilateral grants and loans are planned for countries with annual per capita incomes of less than \$550. This would continue the growing emphasis in our aid program toward these countries.

The principal purpose of this program is to meet the basic human needs of poor people in the developing world. It directly addresses global problems of hunger and malnutrition, population pressure, disease, and ignorance. When we talk about meeting basic human needs we are not talking about an international welfare program. We are talking about giving the poor a chance to improve their standard of living by their own efforts, to rise above the extreme poverty levels that degrade and brutalize human existence.

Food and Nutrition. Reflecting this focus, \$673 million, or over 50% of the FY 1979 loans and grants under this program are planned for activities involving food and nutrition. These programs are designed primarily to help small farmers by providing them with the means to expand their production, such as credit, better seeds, technical advice, farm-to-market roads, small-scale irrigation, and a host of other activities.

We have had some encouraging successes in helping poor farmers expand their production and improve their standard of living. For example, one of the principal causes of food shortage in many areas is loss due to poor storage. In Rwanda, grain losses from

inadequate storage have run around 25%. Small-scale grain storage facilities financed by AID have helped reduce losses for some small farmers to about 3%. AID and the Government of Rwanda will expand this project to provide the same benefits to others.

Another problem is the lack of good quality seed which farmers can use. The Tanzanian Government, with AID support, has established a successful seed multiplication organization that provides improved seed for the main crops grown by poor people throughout that country.

In many places, research is needed to develop and adapt improved crops which will provide greater yields when used in small farmers' fields. In Guatemala AID helped to establish an effective research agency which works in small farmer areas and produces improved varieties of basic crops such as corn and beans and more productive planting techniques which small farmers can utilize. In the Philippines the International Rice Research Institute, which is partly funded by AID, has developed high yielding varieties of rice which are now planted on 70% of the rice acreage and thus benefit some 9 million Filipino farmers. Through its greatly increased production, the Philippines has become virtually self-sufficient in rice, a major food staple in that country.

Still another difficulty faced by small farmers is inability to obtain and to pay for the inputs needed to raise their production. In Pakistan small farmers are now able to use about the same amount of fertilizer per acre as large farmers, in part because of an AID loan to finance fertilizer imports as well as Pakistan Government efforts to improve distribution and use of agricultural inputs to small farmers.

Population Planning. A second major focus of AID funding is population planning. Bilateral population programs in 32 LDC's currently finance the training of paramedics to provide family planning information and contraceptives. AID also funds continued research to develop simple but effective means of fertility control, the collecting and analysis of fertility and other demographic data, and the development of improved delivery systems.

Recent statistics on declining birth rates in Korea, Taiwan, Indonesia, and Colombia are encouraging. We have had substantial family planning projects in each of these countries. It must be recognized, of course, that many economic and social factors influence a country's birth rate. What is important is that these countries are having

significant success in achieving the objective of reducing birth rates. We are hopeful of similar successes elsewhere.

Health Conditions. A third important objective of our bilateral assistance is improving health conditions, especially among the rural poor. U.S. health assistance is targeted mainly to low-cost basic health care for rural areas, clean water and sanitation, projects to control parasitic diseases.

Let me cite three recent successes in this field.

- An experimental project in Thailand has brought health, nutrition, and family planning services to 60% of the population in a province where only 15% were previously covered. It did this at costs affordable by the Thai Government which now plans to extend the approach to the entire country.

- In Africa AID is helping to finance the successful suppression of disease of river blindness in the Volta River basin in Sahel countries. People are already beginning to resettle there and to farm these fertile areas which before were virtually abandoned.

- In Tanzania the government, with AID assistance, set up a well-equipped 18 regional centers to train personnel to provide health, nutrition, and family planning services to the rural poor. By 1982, when this project is completed, these and other rural health centers will provide the Tanzanian Government with a strong rural health delivery system.

Education. The fourth major focus of AID funding is education. Assistance in this area centers on providing basic skills to the poor, enabling them to earn a better living and improve their lives generally. AID projects have expanded elementary education in LDC's and nonformal education projects, such as radio programs and agricultural techniques.

An evaluation of one such radio project in Guatemala indicates that agricultural practices have improved and yields are substantially higher in the areas served by the broadcast. Another example is AID's radio mass project in Nicaragua which has resulted in substantial gains in arithmetic skills among primary school-age children and significant reductions in grade repetition.

Other Programs. Other AID programs address problems of energy, environmental decay, technology transfer, and urban development. AID is giving particular attention in all sectors to the development and use of

appropriate technologies in LDC's. AID projects in Haiti, Guatemala, and Pakistan finance the development and distribution of technology appropriate to small-scale farming and rural enterprises.

For example in Honduras the small-animal technology loan and grant program of \$7.2 million is designed to provide small farmers with technical assistance, training, and investment credit so they may benefit from such capital technology as a successful seedling seeder. Seventy-five hundred families will benefit from this project over the next 4 years.

Improving Programs. Of course, not all of our projects have been successful. Poor planning, unexpected delays in obtaining personnel and equipment, inadequate knowledge of local factors affecting our projects, and a number of other problems have limited the effectiveness of some of our projects. But we are trying to evaluate our programs better and learn from our past mistakes.

Our successes are encouraging. But we regard them as a beginning, not an end, in insuring that our aid is effectively and efficiently managed.

Reflecting the high priority this Administration puts on improving the effectiveness of our assistance effort, AID Administrator John Gilligan has taken the following steps:

The Agency for International Development has been reorganized and the number of bureaus has been reduced, resulting in fewer administrative units and more direct lines of responsibility.

AID has decentralized, shifting greater authority to its field officials to speed its responsiveness.

Finally, AID has improved its programming procedures by eliminating unnecessary paperwork and improving the budgeting for operating expenses.

AID plans further improvements over the coming year. The agency is enhancing its capability to review and analyze the impact of AID programs. This effort—while a long-term program—will include a much more active and consistent evaluation of the extent to which individual aid programs make a difference to the well-being of the people to whom they are directed. It will also assist us in transferring our experience into future programming and budgeting.

These are first steps in what we believe must be an ongoing effort to improve the efficiency and effectiveness of our bilateral assistance programs.

P.L. 480 Food Assistance

We are planning a program of \$1.4 billion for the Public Law 480 food assistance program in FY 1979 to finance shipments of approximately 6.7 million tons of agricultural commodities to less developed countries. This is the same tonnage as planned for FY 1978.

Our food aid program under P.L. 480 Title I provides agricultural commodities at concessional terms to developing countries. The Title II program provides free food, primarily through American private voluntary agencies and the World Food Program, directly to the poor for feeding and food-for-work programs, as well as for emergency disaster assistance. Last year 5.5 million poor people in 83 countries benefited from the Title II program.

Our project to feed school children in Egypt is an example of how this program can be effective—32,000 children are receiving school lunches as a result of American grant food aid; the Egyptian Government is committed to taking over this program entirely by 1982. These programs illustrate the way in which our food aid can stimulate a growing commitment by governments in developing countries to meet the nutritional needs of the most vulnerable groups in their population.

In the Philippines a similar program is reaching about 1 million primary school children and about 600,000 pre-school children and pregnant or lactating mothers. In Brazil a national school feeding campaign which received similar support for 10 years up to 1973 has since continued effectively and now operates almost entirely with national resources.

We share congressional concerns that the developmental impact of food aid should be improved. We are currently implementing the new Title III legislation which we believe will help to accomplish this. This new program can support development efforts in poor countries by providing them with assured supplies of food aid on concessional terms for periods of up to 5 years. In addition, payment for the food aid can be waived when proceeds from the sale of the food aid in the recipient country are used to finance additional development projects. One Title III program has been approved for Honduras, and several possible programs are under active review.

Financial Institutions

We are planning contributions of \$3.5 billion to fulfill U.S. pledges to the international financial institutions,

of which \$1.4 billion is callable capital and, as such, highly unlikely ever to result in budget outlays. Thus, actual government expenditures will be considerably smaller than our total request.

These institutions are a vital element in our overall effort to support development in the Third World. While no authorizing legislation is being sought this year, a description of the Administration's foreign assistance programs would be incomplete if it did not spell out why this is a critical component of our FY 1979 program.

The international financial institutions are the principal, and often only, source of financing for large-scale loans for critical infrastructure projects in LDC's such as roads, dams, and irrigation facilities. These projects are both crucial to a country's overall development effort and to improving the lives of poor people, for example:

- A \$50 million World Bank irrigation project in the Philippines to improve and expand irrigation facilities in some of the poorest regions of the country will benefit about 250,000 people;

- A \$48 million rural electrification project in Egypt will bring electricity for the first time to 2 million people;

- A \$35 million road construction project in Honduras will connect the interior with the main port.

The IFI's increasingly serve basic human needs.

- In Pakistan a \$15 million International Development Association (IDA) loan will improve access to primary and secondary education—particularly for females in rural areas—by increasing the number of qualified teachers. This project will also reach 96,000 adult villagers through a literacy program.

- In Burma a \$26 million Asian Development Bank loan will increase fish production for domestic consumption, thus raising the low protein intake of the population. The project will substantially improve the lot of 900 fishermen and will directly or indirectly create 6,000 jobs.

- In El Salvador a \$1.5 million loan by the Inter-American Development Bank is providing potable water to 102 impoverished rural communities with an average annual per capita in 1971 of \$55; 73,000 people will benefit.

The IFI's facilitate a more equitable sharing of the development burden among donor countries. For example, for every dollar the United States provides to IDA, other countries provide two.

IFI's encourage recipient countries

to adopt sound economic policies often essential to their development. As relatively nonpolitical institutions, they can exert an influence for domestic policy reform more persuasively and effectively than can bilateral donors.

In their role as financial intermediaries they play a crucial role in the world economy. In 1977, for instance, the World Bank borrowed a total of \$4.7 billion from world capital markets for ultimate relending to LDC's which often do not yet have adequate access to world capital markets.

We are facing two fundamental problems in our relationship to these important institutions: insuring that their nonpolitical, multilateral character is maintained and fulfilling our pledged contributions.

The multilateral character of the IFI's has important advantages.

- They can mobilize and coordinate large amounts of capital for development.
- They can build consensus between aid donors and recipients on development goals.
- They can act as especially effective sources of advice for needed policy reforms in developing countries.

In performing these functions, these institutions serve both U.S. interests and those of developing countries. If these institutions are to continue to make an effective contribution to development, they must maintain their multilateral, nonpolitical character. Restrictive legislation, which prohibits U.S. contributions to the IFI's from financing loans for individual countries or projects, would be a first step in politicizing these institutions. If the U.S. Government takes this step, other governments may do likewise. This would undermine the effectiveness of these institutions and their value to us in multiplying our own contributions and strengthening the international economy.

The second major problem facing us is fulfilling our pledges to the IFI's. Our contributions for the IFI's this year fall into two categories: funding to fulfill past pledges which were earlier authorized but not appropriated by the Congress and appropriations which we are seeking for the first time this year.

It is critical that the United States satisfy its past pledges to these institutions in order to maintain institutions to function smoothly in supporting development in less developed countries. Our past pledges amount to \$835 million, nearly one-half for the fourth replenishment of IDA, the soft loan window of the World Bank.

We are now 1 year behind in fulfill-

ing this pledge. IDA has already committed all the funds it was pledged under this replenishment. Without the U.S. contribution, IDA may have difficulties in completing these projects. If this happens, the smooth operation of the banks will be disrupted and the beneficiaries of these projects in poor countries will suffer.

Other unfunded past pledges include the selective capital increase of the World Bank and the capital increase of the International Finance Corporation. If we do not fulfill these pledges the capital increases of these institutions will be smaller due to a reduced U.S. contribution. Also, the U.S. voting strength and influence in these institutions inevitably will be reduced.

In both cases, our failure to contribute our full share means that we are repudiating the principle of equitable burden sharing. Without replenishments, the role in world development of these institutions will diminish at a time when the need for their skills and investments is greater than ever.

To fulfill our current pledges to IFI's we are planning a contribution of \$2.6 billion, including \$800 million for the fifth replenishment of IDA and \$1.8 billion for U.S. pledges toward the World Bank selective capital increase, the International Finance Corporation, the Inter-American Development Bank, the Asian Development Bank and Fund, and the African Development Fund.

International Programs

In the same multilateral context, we are also requesting an authorization of \$282 million for U.S. voluntary contributions to U.N. assistance programs and the Organization of American States.

Our contributions to U.N. programs support the principles of multilateral cooperation and burden sharing and reinforce the constructive trend in our relations with the developing countries within the United Nations. Moreover, they represent a U.S. response through the U.N. system to the real needs of people in the developing countries.

These contributions support programs in four major areas: developmental technical assistance, humanitarian needs, international scientific cooperation, and education and training. Let me discuss these major programs briefly and give examples of what they do.

We propose \$133 million for the U.N. Development Program (UNDP). As the largest multilateral source of grant technical assistance, UNDP projects benefit over 130 nations. In Sri

Lanka, for example, UNDP experts have developed an integrated water basin plan that is expected to raise agricultural production by \$200 million. In Central America, UNDP experts are working in four countries to develop energy from volcanic steam.

To meet humanitarian needs, we are requesting \$35 million for the U.N. Children's Fund (UNICEF), one of the best managed and most effective U.N. programs. UNICEF provides children and mothers opportunities for a more productive life. It also works to meet basic subsistence needs. In India, for example, UNICEF is working to store and improve potable water sources in the areas hardest hit by November 1977 cyclone and tidal wave.

We propose \$52 million for the U.N. Relief and Works Agency (UNRWA) which provides needed assistance to over 1.5 million Palestinian refugees. It supplies rations, medical services and, most importantly, secondary educational and vocational training programs. It is essential that UNRWA be adequately funded in order to continue its present level of services while negotiations proceed for a political solution to the conflict in the Middle East.

In the field of scientific cooperation, the \$12 million contribution proposed for the International Atomic Energy Agency will support its role in our efforts to stop nuclear proliferation through its safeguards system which monitors nuclear materials in many countries to insure that they are used for peaceful purposes. The \$10 million requested for the U.N. Environment Program will sustain its continued effort to encourage international action to reduce damage to the natural environment.

As with the international financial institutions, we are concerned with improving the effectiveness of the U.N. programs. The U.N. system has grown rapidly in its scope and responsibilities. As this has occurred, the coordination, management, and budgeting procedures have become matters of increasing concern.

We and other nations have urged broad management reforms, and some important steps have been taken to address these problems. The General Assembly has created the new position of Director General for Development and International Economic Cooperation with particular responsibility for providing effective leadership and coordination of economic and social activities. In addition, new efforts will be made to establish maximum uniformity in administrative, budgetary, personnel

and planning procedures within the development system.

Security Assistance

We have reviewed carefully our security assistance programs. We have established an interagency committee, chaired by Undersecretary of State for Security Assistance [Lucy Wilson] Beson, to provide coordinated recommendations to me and the President on all aspects of our arms transfer and related policies, including the funded security assistance programs under discussion today and cash foreign military sales. The Arms Export Control Board assists in insuring that all arms transfers are consistent with the President's arms transfer policy as well as other relevant policies and considerations, including human rights.

The general purpose of our security assistance programs is to assist our friends and allies to provide for their legitimate defense needs without detracting from their own economic and social development. These programs support our strategic-political objectives of reducing tensions and promoting stability in areas of potential confrontation and conflict.

To implement these programs in fiscal year 1979, we are requesting an authorization of \$2,692.5 million for security supporting assistance and for military assistance.

We are requesting \$1,854.4 million for **security supporting assistance** (SSA) to provide economic assistance—administered by AID—to countries which are experiencing political and economic stresses and where U.S. security interests are involved. The majority of SSA funds will support peace efforts in the Middle East by providing assistance to Israel (\$785 million), Egypt (\$750 million), Jordan (\$13 million), Syria (\$90 million), some regional projects (\$9 million), support for the Maqarin Dam project benefiting Jordan, Syria, and Israel (\$10 million), and the Sinai Support Mission (\$11.7 million)—the American civilian early-warning system in the Sinai. These programs are of critical importance to U.S. national interests of finding a just and lasting settlement in the Middle East. These SSA programs, I firmly believe, continue to play a critical role in that search for peace.

SSA funds also support our objective of relieving tensions and fostering peaceful development toward majority rule in southern Africa by providing assistance to Zambia, Botswana, and South African refugees.

We are proposing a total program of \$38.1 million, down from \$972.75

requested last year, for military assistance—i.e., grant materiel under the military assistance program, grant international military education and training program, and foreign military sales credit financing.

Let me take a minute to examine what is happening to these programs and how they have been tailored to meet various U.S. objectives.

We are requesting a total of \$133.5 million for grant materiel under the **military assistance program** (MAP) for just four countries (Spain, Portugal, Philippines, and Jordan)—down from seven in the program for the current year. This is in line with our general aim, which I know the Congress shares, of reducing the number of grant recipients and shifting as rapidly as feasible to credit financing and finally to sales on a cash basis.

We have terminated the grant military materiel assistance programs to Indonesia and Thailand, two valued friends whom we will continue to support with credit financing. You will also note that we are not requesting grant assistance at this time for Greece and Turkey, two NATO allies which provide us with essential facilities for the common defense. We believe that the question of our grant security assistance relationship with Greece and Turkey should be addressed in conjunction with the proposed defense cooperation agreements with each, rather than in the context of the foreign assistance programs we are discussing today.

Our MAP request for Spain is consistent with the terms of the Treaty of Friendship and Cooperation, which has been endorsed by both Houses of Congress. After discussion with the Spanish Government, we are asking this year for \$41 million, the major portion of our remaining MAP commitment to that country. In following years a total of only \$4 million in MAP will be required to pay the costs of delivery of MAP material financed with funds made available in prior years.

Portugal and the Philippines are, like Spain, countries where we have important military facilities. When negotiations regarding these bases are completed, we will be reporting to the Congress. In the meantime we are seeking authority to continue modest levels of grant MAP for these two countries (\$27.9 million for Portugal; \$18.1 million for the Philippines). The only other MAP request (\$45 million for Jordan) represents part of our effort to enable Jordan to protect its security and to contribute to stability in the Middle East.

The grant **international military education and training program**

(IMETP), established as a separate program by Congress less than 2 years ago, provides a means of maintaining mutually beneficial relations with future military leaders of 40 friendly countries throughout the world. The emphasis in the training program is shifting rapidly from specialized technical training to the broader fields of leadership training, resource management, and command. This program, for which we are seeking \$32.1 million, enables foreign military officers to obtain instruction in U.S. military doctrine and concepts; their experience in the United States may also help them to appreciate the role of a professional military service in a democratic society.

We also have continuing need to finance **foreign military sales** (FMS) to those of our friends and allies who require such assistance for the purchase of military equipment that they, and we, believe necessary for their own defense. We are requesting an authorization of \$672.5 million to finance a total foreign military sales credits program of \$2,067.5 million.

As in the case of the security supporting assistance program, the largest share of FMS financing will support our objectives in the Middle East: Israel will receive \$1 billion, remaining the largest recipient. As in the past few years, we intend to waive repayment on one-half of this financing. The second largest recipient of FMS financing is Korea which will receive a \$275 million program for additional support of purchases to be made pursuant to its Force Improvement Plan initiated in 1975.

In addition, in recognition of the need to compensate for the withdrawal of U.S. ground combat forces from Korea over the next 4-5 years, you have before you legislation we proposed last year which would authorize the transfer to Korea of certain U.S. equipment which is presently located there. This equipment—which has a value of approximately \$800 million—would strengthen the firepower, mobility, and antiarmor capabilities of the Korean forces. The enactment of this special legislation is an integral part of our policy decision to withdraw U.S. ground combat forces from Korea in a way that will not be destabilizing to the security of Northeast Asia.

Conclusion

I would like to conclude my testimony where I began—on the review which this Administration has made of our interests in the Third World and the

role foreign assistance can—and should—play. Our examination convinced us that our programs are a critical element in relations with developing countries generally and in our efforts to promote peace and improve individual well-being worldwide. We strongly believe that at the levels requested these programs can be effectively implemented. I seek your full support for our authorization request

and I welcome your views and your questions. □

Statement submitted to the Senate Committee on Foreign Relations on Mar. 2, 1978. The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

¹Of this total, \$1.4 billion is callable capital and will not result in budget outlays.

AFRICA: Security Assistance to the Sub-Sahara

by Richard M. Moose

The African program we propose for next year is consistent with the President's directive of May 19, 1977, to restrict arms transfers. At the same time, it insures that the security assistance we do provide works in favor of stability in an increasingly volatile continent. In arriving at individual country programs, we have been particularly conscious of the legitimate security concerns of those nations which feel threatened by the increase of Soviet

arms and Cuban troops in neighboring countries.

Our security assistance proposals for Africa contain \$38.4 million in foreign military sales (FMS) financing, \$3.85 million for the international military education and training program, and \$45 million for security supporting assistance—of which \$14 million is for refugees in southern Africa. Our programs will focus on a relative handful of African countries, most of which have received security assistance in the past.

FMS Credit

The FMS credit proposed for sub-Saharan countries is slightly less than the appropriation we received from the Congress for FY 1978. The bulk of our FMS credit assistance would go to Zaire, Kenya, and Sudan.

Zaire. We propose a \$17.5 million FMS credit program for Zaire to assist in the modernization and reorganization of that country's armed forces, a program in which France and Belgium are taking the lead. The Shaba war a year ago disclosed deficiencies in the Zairian forces. It led to the scrapping of plans which emphasized expensive and sophisticated equipment in favor of a concentration of fundamental needs for defense. The U.S. contribution to this multinational effort will be in communication equipment, ground and air transportation, aircraft spare parts and support equipment, and medical supplies.

We believe that our long-range interests in the security and economic viability of Zaire justify the provision of this credit. Our proposal comes at a time when the Government of Zaire is showing every indication that it is prepared to undertake serious and basic economic reforms essential to the economic and financial well-being of the

country, including the key step strengthening of the role of the central bank.

Kenya. The proposed \$10 million FMS credit for Kenya would enable that country to complete its purchase of a squadron of F-5E/F fighter aircraft. It would also permit Kenya to purchase some additional equipment required for its force modernization program. Kenya's neighbors—Uganda, Ethiopia and Somalia—have all obtained sophisticated Soviet arms in quantity which has placed Kenya's armed forces at disadvantage. We believe this tangible support for a friendly and cooperative state is warranted.

Sudan. Sudan is the only proposed new recipient of FMS credit. Sudan, large and economically promising country, has undertaken domestic reforms and is playing a constructive role both in Middle East peace efforts and in East Africa. As a result, our bilateral relations have improved significantly in recent years. Sudan expelled the last of its Soviet military advisors in 1977 and has now turned to Western countries for its military needs.

It appears that the Sudanese intend to purchase under FMS procedures an advanced defense package which includes F-16 aircraft and radars. The purchase will be for cash, and Sudan has indicated that it will be financed by Saudi Arabia. Although most additional Sudanese military requirements will probably be met through purchases

Kenya

White House Statement

President Carter and a group of his senior advisers had discussions this morning [March 2, 1978] with the Kenyan delegation headed by Vice President Daniel arap Moi. They discussed the situation in the Horn of Africa and Kenyan-U.S. relations. President Carter reaffirmed the U.S. Government's longstanding policy of close support for Kenya and assured the Kenyans that the United States will continue to supply Kenya with economic and military assistance. Both countries share a deep concern for the conflicts which have developed in the Horn of Africa. Measures which could be taken to bring the conflict to an end were discussed, and it was found that Kenyan and American perceptions of the fundamental problems of the area are very similar. □

Issued on Mar. 2, 1978 (text from Weekly Compilation of Presidential Documents of Mar. 6).

Southern Rhodesia

Joint Statement

Secretary Vance and [United Kingdom] Foreign Secretary [David Owen] met on March 8 with President Carter and then held further conversations at the Department of State. The discussions were concerned primarily with the question of Rhodesia. There was full agreement that the two governments will jointly continue their efforts to facilitate a settlement among the parties, in accordance with the principles the two governments have previously put forward: free and fair elections, a transition to majority rule and independence, and respect for the individual rights of all the citizens of an independent Zimbabwe. □

Issued Mar. 8, 1978 (text from press release 110 of Mar. 8).

Western Europe, it is likely that there will be some other items which the Danese will want to obtain in the United States. These could include armored personnel carriers, engineering equipment, and items related to air defense. For these sales we have proposed \$7.5 million in FMS credit.

Cameroon and Liberia. Smaller amounts of FMS credit have been proposed for Cameroon and Liberia. The \$1 million program in Cameroon would be for armored cars, rifles, communications equipment, and spare parts. The \$100,000 credit for Liberia will enable that country to purchase rifles, trucks, and communications equipment. Both are continuations of previously authorized and funded programs.

Military Training

Our proposed international military education and training programs this year will emphasize the technical training of African military officers in our military schools. We are requesting \$1.85 million for this purpose. The bulk of these funds will be used to provide training in professional management rather than equipment-oriented training. Officers from Zaire, Sudan, Kenya, Ghana, Liberia, Chad, Mali, Senegal, and Upper Volta are expected to receive training under this program in FY 1979.

Security Supporting Assistance

We are also requesting \$45 million for security supporting assistance for southern Africa this year. It has three components:

- \$20 million in balance-of-payments support for Zambia;
- \$11 million for assistance in the transportation sector for Botswana; and
- \$14 million for refugees in the southern Africa area.

The proposed security supporting assistance in southern Africa in FY 1979 is considerably less than it was in FY 1978, although this reduction is partially compensated by a \$23 million increase in development assistance. Other donors, both bilateral and multilateral, have responded well to requests for assistance by the southern African nations. We believe that our programs are responsive to the needs which have been identified for FY 1979. However, if the political situation significantly worsens and leads to a large increase in southern African refugees, we would seek a supplemental appropriation.

The \$20 million for Zambia's balance of payments would continue the

EAST ASIA: Security Assistance

by Richard C. Holbrooke

MARCH 9

I will be talking to you today primarily about Northeast Asia. Before I do that, however, I want to say a few words about the situation in East Asia as a whole. It is one we can look at with some satisfaction. There are no major, immediate threats to the peace. Some of the deep divisions of the past are gradually being bridged. The energies and talents of the peoples of the area have fostered a surge of economic growth to which we also have contributed, from which we—as well as they—have benefitted. Stable and effective government, an indispensable ingredient of economic growth, once the exception in the area is now much more the general rule.

But if these favorable trends are to be maintained, the United States must continue to play the role that our interests as a great Pacific power dictate. Our military presence, the credibility of our commitments, and our security assistance to friendly governments are indispensable in deterring threats to the peace of the area and maintaining a stable balance there. Our bases in Japan and the

Philippines are important constituents of our defenses, supporting our allies, reassuring our friends, and protecting free access to the Indian and Pacific Ocean sea lanes.

The interests of four great powers—the United States, the U.S.S.R., the People's Republic of China (P.R.C.), and Japan—intersect in Asia. Our strength there is a significant component of our global relationship with the U.S.S.R. and of our improved relations with the P.R.C. For years our security assistance to East Asia was designed in large measure to contain what was then perceived as the threat of Chinese Communist expansionism. That is no longer the case. As a result of the beneficial developments in our relations with Peking over the last few years, we are no longer in a posture of confrontation with the People's Republic of China.

We now recognize that China has a vital role to play in maintaining peace in Asia and in the world, and we consider friendly relations with China to be a central part of our foreign policy. As Secretary Vance stated last June, we recognize and respect China's strong commitments to independence, unity, and self-reliance, and we intend to move toward full normalization of relations with Peking

FY 1978 program and represents our contribution to a multidonor effort to assist the Zambian economy. The Zambian economy's problems stem from a variety of causes. It has suffered severely from the drop in the price of copper, Zambia's chief foreign exchange earner. This problem has been exacerbated by the disruption of the regional transportation network as a result of conflicts in Rhodesia and Angola.

Botswana is fully deserving of our support. It is a democratic, multiracial society which in many ways can serve as a model for the development of other countries in the area. Botswana has played a consistently constructive role in support of a peaceful resolution of the Rhodesia conflict. Bordering Rhodesia, Namibia, and South Africa, Botswana is particularly vulnerable to the effects of violence in neighboring states. Our proposed assistance of \$11 million would be devoted to improving Botswana's transportation network in

order to allow that country to accelerate economic development.

The final element of the \$45 million security supporting assistance package is \$14 million for the relief of refugees in the southern Africa area. As violence has escalated in the region, the needs for refugee relief have mounted sharply. While our record in this humanitarian area is good, the requirements for assistance are increasing—in large part because those in need are the displaced young. By joining with other donor nations to provide further schooling and training for these refugees, we can make a positive investment in the future of the region. □

Statement before the Subcommittee on African Affairs of the House Committee on International Relations on Feb. 28, 1978 (introductory paragraph omitted). The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Mr. Moose is Assistant Secretary for African Affairs.

in accordance with the principles of the Shanghai communique.¹ We believe that consolidating a constructive relationship with China is an essential element in our effort to promote a prosperous, peaceful, and secure Asia.

Our economic growth and the economic growth of the Asian and Pacific countries are mutually reinforcing. Our national policies must be shaped to encourage both. We conduct roughly one-quarter of our world trade with East Asia. Every year one-third of our agricultural exports go there. We obtain in exchange important raw materials—rubber, tin, coconut oil, and 9% of our imported petroleum products.

Japan

Our close friendship with Japan is central to our position in Asia. For over a quarter of a century, our security treaty and our base structure in Japan have made it possible for us to deploy our forces in the western Pacific more speedily and economically than if we operated from American territory. For Japan, the treaty provides a nuclear shield behind which it has developed significant capabilities for its own conventional defense. We are encouraging qualitative improvements in Japan's self-defense forces. Japan expects to spend about \$6.5 billion over the next 5 years on U.S. equipment, including F-15 fighters and the P-3C ASW [antisubmarine warfare] aircraft.

Japan's confidence in the security relationship has supported its efforts to maintain a stable balance in its relations with the U.S.S.R. and China. Its strict adherence to constitutional prohibitions against any but defensive armaments has been reassuring to the other countries of Asia. Meanwhile, its nonmilitary role in Asia has become increasingly important. A principal trading partner for most of the countries of the area, it has also become the largest bilateral aid donor in Asia and by far the largest contributor to the Asian Development Bank, providing about one-third of the Bank's resources where we provide less than one-fifth. In addition, it has moved toward a more active and supportive relationship with the Association of South East Asian Nations (ASEAN), a relationship welcomed by the ASEAN states.

A healthy relationship between our two great economies is essential not only to us and the Japanese but also to global recovery and well-being. Inevitably, frictions arise when two huge and complex economies are so

closely linked. But the intimacy that has developed between us, "our mutual respect and good will," facilitate amicable adjustment of the most serious problems.

The negotiations Ambassador [Robert S.] Strauss [Special Representative for Trade Negotiations] recently completed in Tokyo illustrate the point. So do our earlier agreements on steel, color televisions, and the Tokai-Mura nuclear reprocessing facility. We are also moving forward together in such global fora as the multilateral trade negotiations. We are confident that Japan will take the steps necessary to reduce its trade imbalance and improve access to its markets and that it will do its share in contributing to the recovery of the global economy.

Korea

The state of affairs on the Korean Peninsula is of great importance to Japan, and our policies with respect to Korea have an important bearing on the U.S.-Japanese relationship. In March 1977 Prime Minister Fukuda and President Carter in a joint communique noted "... the continuing importance of the maintenance of peace and stability on the Korean Peninsula for the security of Japan and East Asia as a whole."²

At the time, the Japanese and our other friends in Asia were concerned about how our plans for withdrawing ground combat forces from Korea would affect regional security. They were worried also about the implications of our withdrawal plan for our military posture elsewhere in Asia. We have done much to reassure them since then.

- We have declared that except for our planned withdrawal from Korea, we will maintain our combat forces in Asia at their current level and will be strengthening them by the addition of several advanced weapons systems.

- We have reiterated our treaty commitment to the Republic of Korea and our intention to defend it.

- We have made clear that our withdrawal will be carefully phased and will permit a continuing assessment of the security situation on the peninsula.

- We have made clear that we will maintain an important military presence in Korea. Our Air Force units will remain there indefinitely and will be increased in number. Intelligence and other support units will also remain indefinitely.

In addition, in close consultation with the Republic of Korea, we have

developed plans for helping it improve its capabilities so that it can defend successfully against any North Korean attack with the aid of American naval, air, and logistic support. The Administration has already submitted two important elements of these plans to Congress:

- A request for authorization of a transfer to the Republic of Korea substantial quantities of equipment parallel with our ground combat force withdrawals and

- A request for \$275 million in foreign military sales (FMS) credits as part of our continuing assistance to South Korea in carrying out its force improvement program.

We anticipate that our support will continue to be needed for the next few years.

The Secretary of Defense [Harold Brown] has already described these programs to the House Committee on International Relations in some detail. What I want to emphasize is that the way in which we carry them out will be of the utmost significance, affecting not only the prospects for peace on the peninsula but also the confidence in the United States of our other allies and friends in Asia and throughout the world.

We cannot neglect our efforts to resolve problems that exist between ourselves and the Republic of Korea. It is important that the South Korean Government continue to cooperate in all appropriate ways with the judicial and legislative proceedings that are intended to set our own house in order. And we must leave no doubt about our strong desire for further improvements in the government's human rights practices.

But we must deal with these issues on their own terms and without jeopardizing our important security interests and undermining confidence in Korea and elsewhere in our firm commitment. Americans and Koreans must keep foremost in our minds the importance to us both of a close and cooperative relationship.

While our strategic interest is of crucial importance, many other interests bind us together as well. We have developed a multibillion dollar trade, lending, and investment relationship in Korea. Some 1,500 American firms are now doing business there. As Korea itself has become a developed, industrialized nation, its international responsibilities are increasing. The United States and other nations must now ask Korea's cooperation in dealing with multinational issues such as international trade policy, monetary reform, Third

World assistance programs, nuclear proliferation, environmental pollution, and law of the sea.

After 30 years of close mutual contact the people of our two nations have developed a complex network of personal and professional relationships. Our universities have mutual research relationships and scholarly exchange programs; alumni from all major American universities are found in all the professions. Many of the top Korean industries have joint venture or other formal relationships with American firms.

Republic of China

Our only other military assistance program in Northeast Asia provides for \$10 million in FMS credits to the Republic of China, mostly for air defense systems. We do not anticipate asking for additional FMS credits for the Republic of China after FY 1979. We believe that the Republic of China, with its very healthy economy and substantial trade surplus with the United States, will be able to finance its defense needs from its own resources.

To sum up, let me reiterate—the situation in Asia is a favorable one. But only if the United States carries out its responsibilities in close cooperation with its allies and friends can we hope that it will remain so.

MARCH 14

For many years, our preoccupation with the war in Indochina made us less conscious than we are today of the remarkable strides being made by the other countries of Southeast Asia. These countries, all except Thailand, colonies of Western states until after World War II, have firmly established their national identities while avoiding excessive nationalism. They have maintained their independence against outside pressures but not at the expense of developing cooperative and constructive relations with countries elsewhere and with each other. As benefits the progress they have made, they are playing an increasingly important part on the world scene.

Under competent and moderate leadership, Southeast Asian market economies have attained impressive growth rates and have become of increasing importance to the United States. In 1977 our imports from Southeast Asia amounted to over \$7 billion. It supplied us with virtually all of our copra and coconut oil, 90% of our natural rubber, and 75% of our tin. Southeast Asian countries, in

turn, imported almost \$4 billion worth of goods from us. American direct investment in Southeast Asia also amounted to over \$4 billion.

But we should not measure the importance of these countries to the United States solely in terms of what we buy and sell there. We are engaged with them in many other significant ways. Southeast Asian countries, for example, play an important and constructive role in the North-South dialogue. They are active participants in the campaign against drug traffickers. And in the effort to resettle refugees from Indochina, Thailand is now sheltering 100,000 refugees in camps, while another 10,000 have found permanent homes there.

With Indonesia, Malaysia, and Singapore, astride vital passages between the Pacific and Indian Oceans, the policies Southeast Asian countries adopt in law of the sea matters is obviously of acute importance to the United States and its allies. Southeast Asian countries will also have an important role to play with other Pacific basin states in developing the resources of that vast seabed. The ties between Southeast Asian countries and our major allies elsewhere in East Asia and the Pacific—Japan, Australia, and New Zealand—are increasingly strong. Our bases in the Philippines are an important constituent of our Pacific defenses and a significant element in our global deterrent.

It is thus of obvious importance to the United States that our friends in Southeast Asia should continue to be able to bring the benefits of economic development to their people, to cooperate with each other and with other countries in pursuit of mutually beneficial goals, and to strengthen the national and regional institutions that support the achievements of these goals.

While great progress has been made in this regard, we must not overlook continued and serious problems. Despite emphasis on human needs in development programs and overall im-

provements in levels of living, many are still the victims of poverty and deprivation. The race between population growth and economic development has not yet been won.

Insurgents, some externally supported, continue to seek their goals through violence and terror, threatening human rights by their own activities and creating a climate of apprehension that stimulates reliance on restricting political activity as the alternative to chaos. Even so, there has been significant movement toward wider participation in the political process, supported by such developments as the spread of literacy and the diversification of centers of influence and power as modern economies have replaced traditional ones.

Moreover, many uncertainties shadow the future.

- How will developments in a still faltering global economy affect the region's growth and development?
- How will the relations among the great powers affect the region's peace and stability?
- Will the Communist states of Indochina play a constructive role in the region or a destabilizing one?

U.S. Support

In facing these problems, our friends in Southeast Asia look to the United States for support. And, as I have sought to demonstrate, it is in our own interests to help to strengthen the highly favorable trends, now so evident in the region, and to prevent their reversal. The effort required of us is not a massive one; we do not propose to substitute our own strength for the necessary self-reliance of others. But it is an effort that requires the careful orchestration of many instruments of policy—diplomatic, economic, and security.

We have long had close and friendly relations with each of the non-Communist Southeast Asian countries. The dialogue into which we have entered with ASEAN will supplement and strengthen our relations with its five members. As you know, Vice President Mondale will shortly be visiting Indonesia, Thailand, and the Philippines; the Prime Ministers of Malaysia and Singapore were welcome guests in Washington late last year. In recent years, our mutual interest in suppressing the drug traffic has stimulated a more active relationship between the United States and Burma. We are continuing our efforts to normalize our relations with Vietnam on acceptable terms, an effort that is regarded by Vietnam's non-Communist neighbors

Letters of Credence

On February 15, 1978, the following newly appointed Ambassadors presented their credentials to President Carter:

Indonesia—Ashari Danudirdjo
Western Samoa—Iulai Toma

□

as supportive of their own desires for peaceful and constructive relations with the countries of Indochina.

We have many instruments of economic cooperation at our disposal; used in careful conjunction with each other, their effect is multiplied. American business activity in the region contributes to its prosperity and ours: The activities of the Export-Import Bank are important in sustaining our market position and promoting our exports; the activities of the Overseas Private Investment Corporation help to stimulate the resource flow, the transfer of technology, and the strengthening of managerial skills that are essential to sustained development.

Economic Assistance

Our Southeast Asian bilateral economic assistance programs are modest in their amounts. We are proposing roughly \$300 million for development assistance and food aid for Indonesia, the Philippines, and Thailand. But they are important in their impact. They are focused primarily on the rural poor in programs directed toward increasing food production, slowing population growth, and improving the quality of life.

The major amounts for development assistance in Southeast Asia are now coming from the World Bank and the Asian Development Bank. ADB approved loans to Asian developing countries, for example, had reached \$4.2 billion by the end of 1977. The Banks, while continuing to provide the bulk of official development assistance required for infrastructure-related projects are increasingly focusing on projects that satisfy basic human needs objectives. They are in the forefront in coordinating development assistance, providing technical assistance, and helping recipient countries formulate their development plans.

The United States, of course, is a major contributor to these institutions, but our share of the total is diminishing, as it should in view of the growing economic capability of other donors. Nevertheless it is an indispensable share. It sustains the essential work of these institutions. It demonstrates our continued concern with the well-being of the countries whose projects are being supported. And it reaffirms our support for cooperation and coordination in the development effort.

Security Assistance

Our defense policy and our security assistance reinforce the contributions made to national and regional stability by economic growth and the equitable

distribution of its fruits. The American military presence—including our base presence in the Philippines—is indispensable to the maintenance of a peaceful equilibrium in Asia and to the confidence of our friends in that region. Our security assistance programs help them to fulfill their own self-defense requirements while avoiding excessive diversion of national budgetary resources from priority economic development projects.

Human rights considerations have been important among the factors that have entered into our decisions concerning these programs. Positive recent developments in this regard have included large-scale releases of political detainees in Indonesia in accordance with the schedule the Indonesian Government announced in December 1976 and the opening up of the Thai political process under Prime Minister Kriangsak Chamanan. In addition, in their development programs these countries are paying increasing attention to projects directed toward fulfilling human needs objectives. This too enters into the many considerations, including our own security interests, that we must factor into the equation.

On our proposed military assistance programs in Southeast Asia, the largest—that for the Philippines—we have already discussed with you. We are also proposing more modest, but nevertheless significant, programs for Indonesia, Thailand, and Malaysia.

Indonesia. For Indonesia in FY 1979, we are proposing roughly \$43 million for all categories of security assistance including training. This is a decline from FY 1978, since we will no longer be providing grant military assistance program (MAP). The Government of Indonesia has consistently subordinated military procurement to the requirements of economic development.

However, it is rightfully concerned with the need for at least selective modernization and standardization of its extremely antiquated equipment so as to improve its capabilities for surveillance and defense of the sea and air approaches to its vast archipelago. Its plans for utilizing FMS credits to purchase a single squadron of F-5 aircraft to replace a single squadron of F-86 aircraft will contribute to this objective and to our more general objective of strengthening the self-defense capabilities of our allies and friends.

Thailand. In Thailand, as in Indonesia, our MAP program will end with FY 1978. For FY 1979, we are proposing a total of roughly \$31 million in military assistance, almost all of which falls under the FMS program.

We anticipate that Thailand will use FY 1979 FMS credit for purchases primarily intended to improve its defensive capabilities but, in some cases also to support its efforts against armed insurgents. Thailand's long and vulnerable land borders make the question of the future behavior of its Communist neighbors—especially heavily armed Vietnam—a matter of particular concern.

Given the potential threat to Thailand from the Indochina countries—as we cannot ignore the Vietnam-Cambodia conflict—as well as the external support to its insurgents, the United States should continue to supply military assistance to Thailand. Its security needs and the confidence of its people, as well as that of its non-Communist neighbors, will be served by its ability to maintain a military establishment adequate for defense and deterrence.

Malaysia. The border that Thailand shares with Malaysia, is a source of concern because of the continued activities there of armed underground and terrorist elements. The two governments are cooperating to deal with the problem. The Government of Malaysia is making modest equipment and training improvements in support of its efforts against these elements and to improve its capabilities against any external threat. To assist Malaysia in this effort, we are proposing roughly \$13.5 million under our FMS and international military education training programs. We regard this proposal, like the others we are advancing for the region, as a useful and necessary contribution to overall stability and self-confidence.

To sum up, our security assistance programs are only one element of the close and friendly relations we maintain with these governments. But they contribute not only to improving the self-defense capabilities of countries important to the United States but also to the cooperative atmosphere in which we work with them on a wide range of matters of both bilateral and multilateral interest.

Statements before the Subcommittee on Asian and Pacific Affairs of the House Committee on International Relations on Mar. 9 and 14, 1978 (introductory paragraphs omitted). The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Mr. Holbrooke is Assistant Secretary for East Asian and Pacific Affairs.

¹ For text of the Shanghai communique, see BULLETIN of Mar. 20, 1972, p. 435.

² For complete text, see BULLETIN of April 18, 1977, p. 375.

ECONOMICS: *America's Stake* in an Open International Trading System

Secretary Vance

I am delighted to have this opportunity to meet with you today. I want to talk about the stake of every American citizen in maintaining an open international trading system.

In the 30-plus years since World War II, we have enjoyed a mounting level of prosperity. Our people have enjoyed the fruits of an outward-looking economy vigorously engaged in a steadily more open and active world commerce. We have grown from a \$200-billion economy to a 1.9-trillion economy, in no small measure because we have seized the opportunities afforded by our superior technological and industrial capabilities to expand the reach of our economy to every corner of the globe. We have been able to do this because we have succeeded in fostering a progressively more open world trading system, one that has enabled us to generate new markets, new jobs, and new choices for the American consumer.

In 1962 President John Kennedy told us that a rising tide of international trade would lift all boats. He was right. Our commitment to vigorous world trade has served us well.

At this moment, however, we face unusually difficult strains on our economy. There is a strong impulse to abandon our commitment to an open world trading system—to draw our wagons into a circle.

Let there be no mistake about the sensitivity of this Administration to the reality of those strains and the necessity to deal, constructively and effectively, with the causes and the consequences of current economic difficulties. Unemployment is more than a statistic to a family without a job. Inflation is a corrosive that eats away at the hope of every American for a better future. The damage to a community when a factory shuts its gates can be devastating.

As the President indicated in his State of the Union message, bolstering our domestic economy is at the top of this Administration's agenda.¹ The comprehensive economic program which the President submitted to Congress in January presents the clear outlines of a coordinated strategy to expand our industrial productivity, to create new job opportu-

nities, and to develop a more consistent and dependable economic climate for private investment and trade.

We all share the same economic goals: to keep our recovery on course, to enhance the economic security and well-being of our people, and to assure that the benefits and burdens of a dynamic economy are equitably shared.

But we must be careful how we pursue these goals. We must avoid short-term responses to current pressures that mortgage our future interests. We must resist the temptation to insulate ourselves from international economic competition for we are a nation that thrives on world trade. We cannot lose sight of one simple proposition: To buy from us, other nations must be able to sell to us.

It is essential to recognize that the economic strains that we feel are by no means confined to the United States; indeed, our economy is strong when compared with most of our trading partners. The sharp increase in oil prices in 1973-74 sent world inflation rates upward and helped push the world economy into recession. Recovery has been slow. Unemployment is unacceptably high. Large surpluses have been accumulated by some of the oil-exporting countries while the consuming countries grapple with the corresponding deficits. These deficits lead countries to try to import less and export more—something which all countries obviously cannot do simultaneously.

These strains create pressures here and abroad to turn to policies that restrict trade. Until now, the industrial countries, despite these unprecedented economic stresses, have, for the most part, resisted the rush toward trade restriction. But if we should turn down the road toward protectionism, our major trading partners would face irresistible demands to impose their own barriers. And the developing countries, caught in the squeeze between high energy prices and narrowing export prospects, would be forced to restrict their imports as well.

Benefits of an Open System

The American people have a vital interest in a progressively more open trading system. We have far too much at stake to benefit, in any lasting

sense, from a new wave of international protectionism.

- One out of every eight manufacturing jobs in the United States depends on exports. For every one of those jobs, another one—in a supporting industry—is created.

- Every third acre of U.S. farmland produces for export. Each dollar of those agricultural exports stimulates more than a dollar's worth of output in a food-related industry.

- Today one out of every three dollars of U.S. corporate profits is derived from international activities.

- Exports of our goods and services now contribute nearly \$200 billion to our gross national product.

- Two-thirds of our imports are essential raw materials or goods we cannot readily produce. From automobiles to newspapers, from jet aircraft to household appliances, many of our industries depend upon imported materials.

What I have just described is the profile of a nation whose prosperity depends upon an open trading system. The impact of America's trade with the world is felt in each of your states. Let me cite just a few examples.

- For the State of Washington, international trade accounts for a substantial part of the \$5.6 billion in aircraft equipment which the United States exported in 1977.

- Nebraska contributed about 11% of the \$5.6 billion of feed grains we exported in 1976.

- Ohio has a vital interest in international trade as well. The tire, steel, and electrical equipment industries in Ohio depend upon imports of critical materials such as natural rubber, manganese, and cobalt.

- For Oregon the importance of trade is clear: In 1976 more than 8% of total U.S. exports to Japan, more than 12% of our exports to Korea, and more than 25% of our exports to India passed through Oregon's ports.

I could go on—with Arkansas, which contributes more to our exports of poultry and rice than any other State; with Massachusetts, which contributes substantially to our rapidly growing exports of electrical and health care equipment as well as

computers and accounting machines; with Texas, which is a major exporter of cotton and industrial chemicals; with New Jersey, where foreign trade provides a livelihood for about one in five workers.

In all, 22 States have established offices in Europe and Asia to promote trade and to encourage foreign investment in the United States, evidence of the direct concern you have demonstrated in fostering vigorous international competition.

Costs of Protectionism

There are, of course, sectors of our economy that are threatened by imports. It is tempting to think that we can solve many of our economic problems by insulating these industries from import competition. But the costs to the American public would be enormous.

- Consumers—particularly poor and middle-income Americans—would suffer. They would pay more for what they buy and they would have less choice.

- Inflation would be fueled. Import restrictions not only push consumer costs up, they add substantially to producer costs as well, driving prices upward and undermining the competitiveness of many of the goods we produce.

- Jobs would be jeopardized. If U.S. consumers have to spend more on some items because of import restrictions, they will have less to spend on other goods and services, the great bulk of which are produced here at home by American workers. And just as important, protectionism against our trading partners breeds protectionism by our trading partners against us. Nearly 10 million American jobs depend on our exports. No Administration committed to protecting the jobs of every American worker should embark upon a course that could unleash a new and dangerous era of trade warfare.

In short, we cannot protect jobs in some industries without endangering the livelihood of more workers in other industries. We cannot solve the problem of an unemployed steel worker in a way which costs a machinist his job. Our policy must look to the future of both.

We must continue the momentum of the last three decades toward more open trade among nations, while at the same time we deal fairly and humanely with short-term dislocations.

Course of Action

Let me discuss the steps this Administration is taking to pursue both our immediate and future goals.

First, we are engaged in a major and comprehensive effort to devise a more open and equitable trading system. We are seeking in the multilateral trade negotiations in Geneva, along with our trading partners, to achieve a comprehensive reduction—and sometimes elimination—of industrial tariffs and an easing of barriers to our vital agricultural exports.

This effort, if successful, will stimulate expanded opportunities for world trade. But more than tariffs are involved in the Geneva negotiations.

- We are working toward international rules that limit the use of government procurement policies and subsidy practices that distort trade.

- We are seeking to reduce or eliminate a variety of other nontariff barriers which impede trade.

- We are making a serious effort to improve international procedures under which governments take actions to protect their citizens against sudden surges of imports.

The negotiations in Geneva will establish the framework of world trade for years to come. This will involve tough negotiating in the months ahead. Some argue that we should pull back and wait out this period of economic uncertainty. We believe just the opposite: that successful completion of this major effort to expand trade and strengthen its international rules will increase business confidence and spur our recovery. Ambassador Bob Strauss [Robert S. Strauss, Special Representative for Trade Negotiations] is determined to bring back a package of agreements that will bolster our economy and those of our trading partners. We look to you for guidance and support as this process unfolds.

Second, as we work to secure enduring improvement in the world trading system, this Administration will fully and vigorously enforce the laws which have been enacted to stop unfair trade practices aimed at American industries. American workers must be confident that their government will insist that all nations play by the rules.

We must also insure that our enforcement mechanisms are effective. In the case of steel, where widespread dumping threatened to overtake our enforcement capabilities, we developed a "trigger price" device to enable us to respond promptly and ef-

fectively to this unfair trade practice.

Although steel has been the most prominent case recently, it is not the only action we have taken against unfair practices. We have moved to prevent dumping of other products. And we have taken countervailing duty action against such items as leather goods from Latin America and fish from Canada.

We also intend to carry out the mandate of the Trade Act of 1974 which provides for temporary relief to industries injured by imports. The disruption caused to families and communities by particular trade problems cannot be ignored. Under the authority, the Administration during the past year negotiated orderly marketing agreements with Taiwan and Korea for shoes and with Japan for color TV sets.

In implementing these laws, we will adhere to the principle that our actions must be temporary and limited only to the minimum relief necessary. Such measures should not become permanent. Trade relief should provide breathing space for adjustment, not a subsidy for inefficiency.

Third, we must stimulate lagging U.S. exports. On December 21 the President announced steps that will enable us to respond more creatively and energetically to export opportunities. He has asked Congress for an unprecedented \$15 billion expansion of direct lending authority for the Export-Import Bank over the next years. And he has directed the Department of Commerce to vigorously assist U.S. exports in ways that are consistent with an open trading system.

Fourth, we must insure that no segment of the population is forced to bear the burden of a more open trading system without being helped to find new opportunities. The Administration is committed to making trade adjustment assistance more effective. The delivery of benefits to displaced workers and communities must be accelerated. We have been experimenting with new types of programs, such as one in the footwear industry where teams from government and industry are working together to improve the competitiveness of our firms.

We cannot prevent change. Our economy is dynamic and it must remain so. But we can and must help affected industries and workers to adjust to change through modernization, retraining, and facilitating shifts of resources to more productive sectors.

Trade policy alone cannot carry the entire burden of solving this nation's economic problems. We must also

have an effective energy policy and must have it soon. Unless we curb our unchecked appetite for foreign oil—on which we spent \$44.6 billion last year, or 30% of our total import bill—we will not begin to reverse the \$10 billion U.S. trade deficit. We must take the difficult steps that are required to reduce our requirements for imported oil and to promote the development of other energy sources. Both for our energy and trade needs, passage of domestic energy legislation is imperative.

Nor can we solve our economic problems by ourselves. No single country or group of countries can shoulder the adjustment to a changing world economy. Some successful exporting countries have been seen as taking advantage of the relatively open U.S. market while at the same time restricting their markets to imports. This contributes to protectionist pressures among their trading partners.

We recently concluded a series of intensive discussions with Japan leading to its commitment to open its markets further. Japan has also announced its plans to accelerate its growth. The fact that we encouraged Japan to open its market to imports rather than to restrict its exports illustrates a basic principle of our trade policy: that whenever possible we will resolve our problems with an outward or trade-expanding orientation.

Conclusion

An outward-looking trade policy is not a luxury for the United States. It is a pure economic necessity. Even more than our trade is at stake; for if we let ourselves slide into the predictable business of protectionism, international investment, monetary affairs, and international development will also suffer. We would be fostering a kind of nationalism which could make our alliances and undermine our efforts to build international cooperation across the entire range of pressing global issues.

Protectionism is a dangerous gamble in which everybody loses. That is the indelible lesson of history. A wave of trade restrictions in the early 1930's deepened a worldwide depression. The desperate economic situation that existed then in Europe certainly contributed to the popularity of authoritarian movements. Today, we cannot close our eyes to the relationship between economic growth and political stability around the world.

Today, as much as in any period of

International Financial Institutions

by Richard N. Cooper

Our bilateral programs focus on functional and geographic areas of particular interest to the United States. The international development lending institutions are one of the major instruments of our assistance programs. They play a leading role in the direct transfer of real resources in support of the developing countries' aspirations and the objectives of the United States without the functional and geographic constraints of our bilateral programs. Let me briefly mention each of these institutions before addressing in some detail the important ways in which they promote development and how our national interests are served by these institutions. I will begin with the World Bank group.

World Bank Group

The **International Bank for Reconstruction and Development (IBRD)** is the central member of the entire family of international development lending institutions. Over the 30-odd years since its founding, its increasingly broad membership (now 130 countries), its highly competent staff, and its proven performance have established it as the leader of the global development effort. Its activities have been a valuable complement to our bilateral aid.

Traditionally, it has focused on infrastructure projects essential to economic growth. More recently, its emphasis has shifted substantially in favor of projects directly benefiting the poor, especially agriculture and rural development projects. Thanks to our position as the IBRD's major donor, we continue to be able to

exercise leadership within the IBRD and substantial influence over its policies.

The IBRD's major borrowers are middle-income countries relatively far along the path to development. Many countries—despite having made important economic progress in recent years—will continue to depend on IBRD loans and advice for some years to come, all the more so because of the setback to their development inflicted by the oil crisis and the global recession from which we still have not completely recovered. Among large borrowers from the IBRD are such countries as Mexico, Brazil, Indonesia, Spain, and Yugoslavia—all countries of considerable importance to the United States, all countries whose prosperity is important to our own.

Almost all of the funds lent by the IBRD are borrowed by it in capital markets and, therefore, involve no direct contribution by donor country governments. (Paid-in capital, 10% of total subscriptions; earnings on investments; and interest on earlier loans provide additional funds for IBRD lending.)

Last year Congress authorized our participation in a selective capital increase for the IBRD which will allow it to maintain its annual lending program at about present levels. Many IBRD members now favor an additional general capital increase which would allow an expansion in real terms of its lending programs over the coming years, and President Carter has publicly expressed his hope that future negotiations will allow the realization of such an increase.

The **International Development Association (IDA)** is the second

our history, American leadership is called for. Others are looking to us. Unless we demonstrate our resolve to move toward a fairer and more open trading system, such a system simply will not evolve. Unless we adjust to a changing international economy—an international economy in which we have a major stake—America's interests will seriously suffer.

We will need your help. Together, we can meet the immediate challenges

that face us without endangering our future. And together, we can work to build an international economic system that expands opportunity and fosters peace. □

Address to the National Governors' Association on Feb. 27, 1978 (press release 93A of Feb. 27).

¹ For excerpts of the President's State of the Union message, see BULLETIN of Feb. 1978, p. 20.

member of the World Bank group. IDA makes loans on very concessional terms to the poorest countries. Therefore, its resources must be contributed directly by donor governments. India, Pakistan, Bangladesh, and Egypt have been major recipients of IDA funds. The needs of the countries to which IDA lends are varied and vast. IDA's task in assisting to meet them is clearly of a long-term nature.

Congress last year authorized our participation in the fifth replenishment of IDA's resources. We will be seeking this year appropriations for our pledged contributions to both the fourth and fifth replenishments. For the fourth replenishment we still need \$750 million—our third and fourth (final) tranches. These two U.S. tranches represent a significant fraction—just under 17%—of the entire fourth replenishment. (Pledges to this replenishment totaled \$4.5 billion; the U.S. share was one-third.) Congress authorized these funds years ago. We are behind schedule in obtaining appropriations. Inability to provide these funds to IDA would be viewed by others as a failure to live up to our commitments.

For the fifth replenishment we need this year the second of our three \$800 million installments. Obtaining this amount is also vital because the fifth replenishment cannot continue into its second year without the appropriation and commitment from the United States, on the same terms as other countries, to provide IDA these funds.

In a word, our contributions are essential to allow IDA to continue to function smoothly, to the other IDA donors who made their pledges on the assumption that we would fulfill ours, and, of course, to the poor developing countries which will benefit from IDA lending. Politically, IDA is a central indicator by which developing countries gauge the seriousness of our commitment to assist them in their development efforts. Thus, our actions concerning IDA are central to the developing countries' perceptions of our general attitude toward them. These perceptions have a major effect on the overall North-South dialogue.

The **International Finance Corporation (IFC)**, the final member of the World Bank group, supports directly the development of the private sector in developing countries. It does this through syndication efforts aimed at bringing together investment opportunities, domestic and foreign private capital, and experienced management; and it participates in the projects di-

rectly by modest loans or equity investments.

Congress last year authorized our participation in a capital increase for the IFC. This increase will allow the IFC to expand its activities in coming years, notably in minerals and energy development.

Regional Development Banks

The regional development banks serve as useful complements to the global reach of the World Bank group. They develop particular expertise in their respective regions. Our support for them manifests our interest in the respective regions and thus has particular political as well as economic significance.

The **Inter-American Development Bank (IDB)** serves an area with which the United States has deep historical and cultural ties and in whose prosperity we have a significant interest. The IDB, with our support, has contributed significantly to economic development of the region in the past and requires our support to continue to do so in the future. Its development efforts, in turn, can strengthen democratic forces and further the advancement of human rights in the region.

The **Asian Development Bank (ADB)** serves a region of great strategic and economic interest to the United States. Its membership extends from Korea in the north to Afghanistan in the west. I believe the ADB can make a contribution to the development of the region which will enable these countries better to resist external pressures and help bring stability and true peace to the region. In view of our military withdrawal from Indochina and the proposed reduction in our forces in Korea, our support for the ADB can give a valuable signal of continued U.S. interest in the area and support for the aspirations of its people.

The **African Development Fund (AFDF)** is the newest of the regional institutions, and our participation in it to date has been modest. Our interests in Africa are clearly growing, however. Guerrilla and conventional conflicts in the area threaten not only the local populace but risk growing involvement of outside powers. Our diplomatic efforts aim to resolve these conflicts. AFDF-assisted development can enhance the likelihood of a stable peace. Increased U.S. participation in the Fund is an important element of our expression of interest in the African Continent.

Contributions

Let me turn now to some of the specific ways in which these institutions serve both development and the interests of the United States. Through their role in assisting the economic and social progress of the developing countries, these institutions foster a structure of cooperation between developing and developed countries characterized by mutual responsibilities and joint contribution to the health of the international economic and political system. The cooperation maintained within the organizations contributes positively to the substance and to the atmosphere of the broader North-South dialogue.

They contribute to an equitable sharing of the global aid burden. Contributions of individual donors are based on their economic strength and ability to provide aid. Our share in contributions to these organizations has generally shown a declining trend over the years as the shares of other countries have increased. For instance, our original share in IDA was 43%; in the current replenishment it is 31.4%. In the Inter-American Development Bank's ordinary capital, our original share was 41%; in the current replenishment it is 32.3%. An important and justified development is that the OPEC countries [Organization of Petroleum Exporting Countries] are now increasing their contributions as well. We welcome these trends and expect them to continue.

To support their hard-lending operations these institutions borrow in many countries, including, recently, OPEC countries. In this way they have mobilized funds for development far in excess of their members' cash contributions to them. They contribute significantly to the evolution of an efficient global economy and the necessary structural adjustments of long-term nature. They do this in several ways.

- They analyze individual projects within the context of both a country's development plan and the global economy and select for funding only the soundest projects.

- They assist countries to diversify their economies by providing additional capital to sectors requiring it, for instance agriculture and, more recently, energy.

- In their dialogues with developing members, they advise on appropriate economic policies. Their advice is generally consistent with our own views and stresses the importance of market forces and of an open international economic system. Because of

multilateral character of these institutions this advice is perceived by recipients as apolitical and objective. The acknowledged competence and international character of the staff of these institutions gives it additional authority. As a result, their advice is often more effective than advice from bilateral aid donors.

• They contribute to the efficient use of scarce development assistance coming from many sources through their leadership and participation in multilateral aid consultative groups and committees which coordinate bilateral aid efforts on behalf of numerous countries. The existence of their competent staffs lessens the need for similar efforts in each donor country, thus further contributing to the efficiency of international aid effort.

These institutions can also serve significant U.S. interests. Development in the minerals sector worldwide—both fuel and nonfuel minerals—is in the interest of the United States because it will increase supplies and, at the same time, restrain further price increases. Unfortunately, however, uncertain investment climates in some developing countries have depressed private investment in development of this sector. The World Bank, with U.S. support, is moving to expand substantially its effort in the sector, not only through the provision of additional financing and technical assistance but through the favorable "catalytic" effect on private investments which the Bank's activities in a country can have. The regional banks are moving in the same direction.

The international development banks can contribute in many ways to the growth of markets for U.S. exports. They do this through policy advice which favors an open international economic system. They also assist the developing countries to overcome their foreign exchange constraints which limit their ability to import. Development Assistance Committee statistics indicate that in 1976 multilateral agencies—the international development banks, the United Nations, and other minor sources—provided \$6.2 billion in net financial resource flows to non-oil developing countries—about 10.6% of total receipts by these countries of \$58.7 billion.

Primarily in connection with specific projects, the development banks and the money needed to import the necessary project components—a substantial share of which comes from the United States. Over time, these projects can contribute to the saving

and earning of foreign exchange by these countries which can then be used to purchase U.S. goods. In 1976, for instance, non-OPEC developing countries alone imported \$26.2 billion from the United States—23% of our total exports. Major components of our exports to these countries included manufactures (\$19 billion), agricultural products (\$4.9 billion), raw materials (\$1.8 billion), and fuels (\$586 million).

These institutions are placing increasing emphasis on employment-creating projects in connection with their efforts in both the agriculture and rural development sector and in urban-oriented industrialization and development efforts. Creation of additional jobs in the countryside can slow migration from rural to urban areas. Additional jobs in urban areas can ease pressures to emigrate to other countries. We fully support these efforts by the banks which are directly relevant to our own illegal immigration problem. These are some of the specific ways in which these institutions serve both the development effort and U.S. interests.

Successful Activities

In **India**, the largest single component of the World Bank program has been directed to agriculture and rural development. In addition to fertilizer production and rural electrification, this includes projects to improve the organization of specialty crops (cotton, fish, rubber, coconut, forestry). But the main aim of the program is to raise the productivity of the mass of Indian farmers growing foodgrains by financing construction and modernization of irrigation schemes and providing agricultural extension on a sound basis.

In the earlier projects it was found that roughly 50% of farmers in all size groups adopted the practices suggested and the adopters increased their yields 60–80% within 2 years. The suggested practices were kept simple and avoided use of additional purchased inputs, with the result that even the smallest farmers benefited. It is expected that about 6 million of India's 70 million farm families will benefit from improved yields under these projects in the next few years.

In the past year and a half alone, IDA has helped in the reorganization of the extension service of India's five poorest states along lines tried earlier in other states in the framework of command area development projects. Three of these states are in India's eastern region

where average farm size and per capita incomes are about half those of the rest of the country.

In the **Philippines**, the Asian Development Bank is a major contributor to the Catabato irrigation project on Mindanao. The farmers in Mindanao are poor even by Philippine standards. The lack of feeder roads and difficult access to marketing services and irrigation works are disincentives to farmers. This project is one of the more successful of its type to date. The project had exceeded original targets both in terms of the number of beneficiaries, which almost doubled, and the extent of their economic benefits. Total net annual farm income in the project area, projected to rise in 7 years from \$106 per family to \$427, actually increased to about \$830.

In **Egypt**, the World Bank, together with the U.S. Agency for International Development and the German agency KfW [Kreditanstalt für Wiederaufbau—a credit reconstruction finance corporation], is financing a major program of four projects to provide Egypt's agriculture lands with field drainage and to alleviate waterlogging and salinity. These projects bring substantial benefits to 780,000 farm families (about 4.4 million people)—most of whom are near to or below the poverty level—and yield a very high economic return. These projects also provide very substantial employment: in excess of 170,000 man-years during implementation, mostly for the landless rural poor, and a continuing increased need for agricultural labor.

Policy Choices

I would like now to touch on two areas in our relationships with these institutions which necessarily involve trade-offs between conflicting objectives.

The first involves the conflict between the concept of sharing the burden of development financing which I described above, on the one hand, and the ability of the United States to exercise control over the activities of these institutions, on the other. A major objective of our participation in these institutions has been to transform what was once a predominantly U.S. aid effort into a broadly shared one. We have succeeded in this objective. But in these institutions, voting power is linked to contributions. Thus, inevitably, as our share in these institutions' resources has declined, our voting power and our ability to influence their activities has too. As their contributions rise, the objectives of other

donors must be taken increasingly into account.

Luckily, within these institutions a broad consensus exists on both the aim of development and the means to attain it. This allows their work to go forward to the benefit of all despite their broad and varied membership. Our bilateral aid program is completely under our control and can be used just as we wish to advance precisely defined national objectives.

We must recognize that in the international financial institutions we cannot exercise this degree of control. We have at our disposal other diplomatic and economic measures which can be used to ameliorate problems of particular concern to us. But to exert undue influence on these institutions would be inappropriate and encourage others to do so as well. I believe, moreover, that this lack of complete U.S. control is more than offset by the many ways in which these institutions serve broad U.S. interests.

The second issue is related to the first. It is the conflict between the essentially apolitical nature of these institutions—specifically stipulated in their charters—and introduction of political considerations into their deliberations with resultant damage to their ability to execute their functions objectively and efficiently.

The concept underlying their non-political character was that these institutions' work should go forward substantially unaffected by the kinds of considerations which can cause bilateral aid flows to grow or decline abruptly as the warmth of bilateral relations between particular donor and recipient waxes and wanes. By and large, separation of politics from economics in these institutions is a concept which has served both the United States and the people of the developing countries well.

Last year restrictive legislation was introduced in the Congress which would have "earmarked" our contributions; that is, prohibited the institutions from using them in certain countries or for certain projects. The institutions made clear to us—the World Bank in writing, the others orally—that they could not and would not accept funds under those conditions.

Had such legislation been enacted, and had the institutions accepted the funds, this would have marked the first step in the outright politicization of these institutions. Other countries, which as noted above are increasingly important contributors, might follow suit and the restrictions which they might impose could be repugnant to

EUROPE: *Belgrade Review* *Meeting Concludes*

STATEMENT BY AMBASSADOR GOLDBERG¹

I wish to thank our Yugoslav hosts for the manner in which they have provided for us at this conference. The Secretariat—under the able direction of Ambassador Bozinovic, the Yugoslav delegation, and the Government and people of Yugoslavia—expended every effort to make our conference a success. I wish particularly to express

the United States. Clearly, to start down this path runs the risk of great damage to future U.S. participation in these institutions, to the institutions themselves, and to the global development effort.

We must accept the fact that these institutions will occasionally act in a way which we would not desire. This is the price we must pay for the many benefits we derive from them. Rather than enacting restrictive legislation, the Administration and the Congress should consult closely to determine those issues relevant to these institutions which are of greatest interest to the United States. Then, even in the absence of legislative requirements that we do so, the Administration would work with management and other members of these institutions to advance these important goals.

For instance, with respect to human rights, we have opposed loans by these institutions to countries with serious human rights problems unless those loans will clearly serve basic human needs. We are consulting with management and with other members to build support for our human rights policies.

We have encouraged these institutions to channel more of their resources to projects serving basic human needs, and there has been substantial movement in this direction. For instance, over the years 1973-76 IBRD-IDA loans to the five sectors most likely to impact on basic human needs—agriculture and rural development, education, population and nutrition, urbanization, and water supply and sewerage—averaged 39% of total IBRD-IDA lending. Lending in these sectors is projected to comprise 52% of IBRD-IDA lending in FY 1978.

This year we will be engaged in replenishment negotiations affecting the

appreciation to His Excellency, Ambassador Pesic. His constant steadfastness and determination, even when our work was in its most difficult hour, was an inspiration to all of us. It is a source of gratification to the American delegation that President Tito is this very week [March 6-9] in the United States where President Carter is conveying to him his personal appreciation for the uniquely constructive role that Yugoslavia has played not only

IBRD and each of the regional banks. We will want to consult closely with the Congress in the process of formulating our negotiating positions. Of course we will seek from your legislation authorizing our participation in these replenishments, which are necessary if the banks are to continue to play their essential role in the way we envisage.

In conclusion, I would like to reiterate the foreign policy significance of our continued strong support for the international development lending institutions. This support represents a major part of our foreign program which are designed to respond to the legitimate concerns of the developing nations—nations of great economic and political importance to the United States. These institutions serve U.S. interests in many ways, in particular by promoting economic development abroad and the growth of the world economy in ways which benefit the United States. Our support allows us to maintain our influence within these institutions and facilitates U.S. leadership in a broader North-South dialogue along lines more acceptable to us.

Strong U.S. support of these institutions will continue to be a major goal of the Carter Administration. I urge you and your congressional colleagues to join the Administration in providing this support.

Based on statement before the Subcommittee on International Development Institutions and Finance of the House Committee on Banking, Finance and Urban Affairs on Feb. 28, 1978. The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Mr. Cooper is Under Secretary for Economic Affairs.

Belgrade meeting but in the entire process of building security and cooperation in Europe.²

I consider it appropriate in this final statement to express frankly the views of the U.S. Government on the Belgrade meeting and on the Conference on Security and Cooperation in Europe (CSCE) process that was begun in Helsinki and will continue in Madrid and thereafter.

The Belgrade meeting of the Conference on Security and Cooperation in Europe—the first formal sequel to the Helsinki summit—is now at its end. In my judgment of the delegation of the United States, the meeting has fulfilled its basic mandate and although it has been difficult, it has also been successful.

In these past months—with the support of our gracious, patient Yugoslav hosts and through the conscientious efforts of the delegates—our meeting has confirmed the vitality of the Helsinki concept. Belgrade has tested the validity and flexibility of the CSCE process. It has not been an easy passage, but we have delineated the scope of that process and added to its depth. Most important of all, we have given our commitment to preserving the process and to making its growth our common enterprise.

We have had the exchange of views in which the Final Act mandates on the implementation of its provisions and on the prospects for improved mutual relations.³ We have spoken our own minds and have heard out the opinions of those who differ from us. In doing so, we have been able to make a sober assessment of past accomplishments, continuing shortcomings, and future challenges. We have agreed to continue this discourse bilaterally and in Madrid in 1980.

The United States has always viewed the fulfillment of Final Act commitments as part of a gradual but steadily advancing process of bridging the East-West divide, of extending the benefits of security and cooperation throughout Europe—including of course Berlin. The contribution of CSCE has been to engage 35 states—different in size and system, history and outlook—in that vital effort. The role of the Belgrade meeting has been to deepen that engagement and to make specific the conduct which it entails.

From our talks has emerged a clearer sense of the tasks before us. No country can be allowed to single out particular sections of the Final Act for their attention while ignoring others. Progress in the area of human rights and human contacts as well as

disarmament and economic, scientific, and cultural cooperation are inextricably linked together in the Final Act. The significance of Final Act implementation—and of the Belgrade review of its progress—lies precisely in combining the various elements of detente in a coherent, related whole.

Last October I also spoke of giving detente a humanitarian face and a human measure.⁴ That has, indeed, been the theme of this conference. For though we are here to represent governments, we have managed to address the problems of people as well as of power. We have weighed the claims of individuals, not just the interests of states.

Thus we explored the promises made at Helsinki to respect the role of the individual and groups in monitoring the implementation of the Final Act; to heal the wounds of divided

families; to facilitate the right of free emigration; and to better the conditions in which scientists, journalists, scholars, and businessmen work. There has been some progress in some of these areas but not nearly enough and regrettably there have been retrogressions.

The favorable resolution of such questions in the days to come will do much to create the climate of openness in which detente itself will flourish. A detente relationship which betters the lot of individuals and smooths contact between them is also certain to improve the ties between the states.

Human Rights

Crucially, of course, our meeting dealt at length with the question of human rights and fundamental freedoms. Our citizens' freedom of

WHITE HOUSE STATEMENT

The President on March 3, 1978, congratulated Justice Goldberg and the U.S. delegation to the Belgrade review conference of CSCE on their successful work during the past few months. The President is particularly gratified that the delegation has worked in close harmony with the U.S. [joint congressional] Commission on Security and Cooperation in Europe, chaired by Representative Fascell, cochaired by Senator Claiborne Pell, and including both congressional and Administration members.

The United States has achieved its basic goals at the Belgrade conference, which will conclude its work next week.

- We conducted a full and frank review of the implementation of the Helsinki Final Act in all of its aspects. This included detailed discussion of human rights, including specific country-performance and individual cases. Human rights has now been firmly inscribed as a legitimate and proper concern on the agenda of international discussion.

- We maintained unity among the NATO allied states.

- We have worked with other nations to insure that the process of security and cooperation in Europe, begun at Helsinki, will continue at Madrid in 2 years time.

- We took all of these steps in a spirit of seeking to enlarge the possibilities for cooperation among all the 35 states represented at Belgrade, and we will agree to the final document only to permit this process to continue.

Following the achievement of these basic goals at CSCE, we also presented, with our allies, a number of specific new proposals, designed to make more effective the im-

plementation of the Helsinki Final Act. Regrettably, the Soviet Union was not prepared to engage in a serious discussion of new proposals, leading to agreement among the 35 states taking part. Nor, under the consensus procedure followed at Belgrade, was the Soviet Union prepared to agree to a final document that would take note of the full review of implementation—including human rights—that was the centerpiece of the conference.

We regret that the Soviet Union failed to permit the conference to proceed to its proper conclusion. We intend to press the Soviet Union to fulfill its commitment to respect human rights, to fulfill the Helsinki process, and to adhere to the final Helsinki act itself. The Soviet refusal, under the consensus procedure, to accept a full final document in no way detracts from the success of the conference in conducting a full review of implementation, especially in the area of human rights. What has been done cannot be ignored, whether or not the Soviet Union is prepared to see it recognized in a formal document.

We will continue to build on the success that the Belgrade conference as a whole represents. During the period between now and the Madrid meeting, we will continue our efforts to promote implementation of the Helsinki Final Act. We will work closely with our allies, and with the European community, in that process.

And at Madrid, we will renew the process of review, seeking always to raise the international standard of behavior, in all aspects of the Helsinki Final Act and particularly in the area of human rights.

Issued Mar. 3, 1978 (text from Weekly Compilation of Presidential Documents of Mar. 6).

thought, conscience, religion, or belief; their ability to exercise their civil rights effectively—individually or in groups—raised sensitive issues at Belgrade. Their sensitivity was part of their significance. Our meeting was the first to put those questions prominently and legitimately into the framework of multilateral East-West diplomacy.

That idea is a powerful one, and at Belgrade it has won powerful support. It has also aroused strong opposition. We have heard the contention that human rights are purely internal affairs, that to discuss their observance in another nation is to violate that nation's sovereignty, to interfere in matters that are no outsider's concern.

The Final Act refutes that reasoning. The Belgrade meeting has made it untenable. By virtue of Principle VII, human rights are direct concerns of all Final Act signatories. Under the terms of the U.N. Charter, the Universal Declaration of Human Rights and the international covenants—as well as the Final Act—they are the subject of international undertakings. They are then, without question, the proper subject of the diplomatic examination and debate we have had in Belgrade. And they will remain, after Belgrade, the proper focus of continuing comment and efforts.

For the pursuit of liberty is an unending enterprise for man, the surest guarantee of this security and of

peace. What the Final Act obliged us all to pursue is what Aleksandr Pushkin defined long ago as a better kind of freedom. That, he wrote, is the freedom not to bow your conscience, thought, or neck to rank or power. That concept of individual dignity is still the vision offered us by the Final Act, the vision all of us pledged to respect and promote.

We know, however, that not all of us have fulfilled that pledge in full or in good faith. The American delegation has spoken forthrightly at Belgrade of the broken and unfulfilled promises of Principle VII and basket 3. We have expressed our concern and our regret and—at times—our outrage at the incidents which have occurred in direct contravention of the Final Act and in profound disregard of its provisions in the area of human rights and fundamental freedoms.

Our meeting could not overlook such episodes, especially when unwarranted repression is directed against men and women whose only offense seems to be that they have merely sought to monitor or enforce or implement the provisions and the promises of the Helsinki Final Act. Their activity is encouraged by the Final Act. It needs to be protected, not punished.

Similarly, in our review of implementation, we could not gloss over—and cannot now—the plight of men and women persecuted for their

religious beliefs and for trying to pass those beliefs on to their children. Now can we be silent now—or in the future—when numbers of ethnic minorities are denied their equality, particularly in their efforts to preserve the language and culture which are essential to their special identity.

We cannot pretend that such questions are irrelevant to the implementation of the Final Act, intrusive at the meeting and injurious—if discussed—to the development of detente. We live in the real world, not one of make-believe. We cannot make our world better one if we turn a blind eye to faults.

Those faults—just as much as our accomplishments and opportunities—were the legitimate subject of the Belgrade review. That review dealt productively with real shortcomings in Final Act implementation so that from our examination we could each and all move to remedial action.

That action is still required of us. Unfortunately, it is not detailed in the meeting's concluding document. The reason is plain. Consensus was denied and this I profoundly deplore.

Efforts to squelch the truth at Belgrade or at home will not change the truth. And they will not deflect the United States from insisting that candor is as important to the healthy development of international confidence as is respect for sovereign equality and individuality.

Candor and respect must be companion elements in the pursuit of security and cooperation. The foundation laid down in the Final Act—augmented by the record made at Belgrade—enables us to build an even firmer structure of detente. Our first priority—always our overriding challenge—remains simply to implement the Final Act in all of its parts to do so in good faith and with appropriate speed. The initial pace is not as important as the fact of continuing forward movement.

From Belgrade, the United States intends to move forward. My country has had its performance questioned here and some of the questioning has been constructive. It will aid my country to improve its record. I wish other were of equal mind.

My delegation has also taken careful note of the thoughtful ideas advanced by many delegations for action consonant with the thrust and spirit of the Final Act. Some such proposals can be set in motion by unilateral action; many can be refined and readied for decision in Madrid. The United States is prepared to participate constructively in such enterprises.

CSCE

Semiannual Report

Department Statement

On behalf of President Carter, Secretary Vance on December 5, 1977, transmitted to Representative Dante B. Fascell, chairman of the joint congressional Commission on Security and Cooperation in Europe, the third semiannual report on implementation of the Helsinki Final Act.¹

These semiannual reports are required under provisions of Public Law 94-304, which established the CSCE Commission. Under this law, the State Department is required to monitor implementation of the Final Act independently of any other CSCE discussions which may be taking place, such as the follow-up meeting which is now underway in Belgrade. The judgments in the report are, therefore, based on an analysis of the report during the past 6 months and are not the result of discus-

sions which have taken place in Belgrade.

However, as the report points out, the most important development related to CSCE during the reporting period was the beginning of the first CSCE follow-up meeting in Belgrade. The Belgrade meeting cannot be fully assessed until it has concluded, but the introductory chapter of this report provides an overview of our objectives and describes some major developments so far. □

Made available to the press by Department spokesman Hodding Carter III on Dec. 5, 1977.

¹ Single copies of the full text of the "Third Semiannual Report to the Commission on Security and Cooperation in Europe, June 1-December 1, 1977" may be obtained from the Correspondence Management Division, Office of Public Communication, Bureau of Public Affairs, Department of State, Washington, D.C. 20520.

Political Cooperation

We especially value CSCE as a framework for increasing political intercourse among all participating states. The many and varied specific provisions of the Final Act provide a high content for this commerce. The United States, in its efforts to deepen political relations with all CSCE states, will continue to work to translate that potential into reality.

In the area of confidence-building measures, for example, we have already seen in practice how states can build from the language of the Final Act to implement its spirit. In notifying smaller scale maneuvers, in making notifications amply informative, and in affording observers good overviews of maneuvers, some states have set an example others can productively emulate. Such experience has been constructive; it remains to be applied to major troop movements. In general, moreover, we can all think fresh about ways of "developing and enlarging measures aimed at lengthening confidence," a possibility the Final Act explicitly sets before us. Although CSCE was not conceived as a forum for negotiating disarmament, we have all recognized the impetus it can give to that vital process.

Economic Cooperation

Further, in the field of economic and commercial cooperation, our frank discussions have reinforced the awareness of the need to reduce—indeed, through mutual action, to eliminate—existing impediments to trade. The potential for cooperation in this field is great, and the United States is fully prepared to explore the many possibilities for productive unilateral and reciprocal action. In such an endeavor, of course, other states must also engage in expanding the flow of timely and accurate economic information on which close, broadened contacts

among traders and investors so heavily depend.

If the Belgrade meeting has aided the flow of people, it has yet to make a similar impact on the transmission of information. Too many Eastern states continue to impede access to what many of their citizens want to read and see and hear.

Finally there is much we can do in bilateral and multilateral cooperation to widen the range and improve the quality of contacts among scientists and scholars, men and women of letters and of the arts.

The United States will continue to be especially attentive to the question of human rights. We are greatly concerned about those individuals and organizations which my delegation has mentioned—by name and by country—in the course of our discussions who are being denied their elementary human rights. And they are by no means the only ones. The list of those suffering repression is far too long. And their fate arouses the greatest anxiety. Our concern is not limited to one country or one set of individuals. "Injustice anywhere," said Martin Luther King, Jr., "is a threat to justice everywhere."

The Final Act enshrines the concept of justice—not privilege or power—ruling the affairs of men and the relations between states. The Belgrade meeting has reaffirmed that central tenet in the context of detente in Europe. Peace, we have seen, depends on the just conduct of nations to each other and to their own citizens.

Helsinki aroused great hopes. In some quarters it also appears to have aroused great fear. In Belgrade we, on our part, have attempted forthrightly to discuss both the hopes and the fears of governments and peoples. We recognize that some hopes may not be as high as they might have been when we came to Belgrade. But we have always known that the road to peace and security and cooperation is a long and arduous one.

The United States is determined to continue. Between now and at Madrid and thereafter we will seek to further implementation of all of the provisions of the Final Act. And we pledge to do all in our power to keep the hopes of Helsinki alive.

CONCLUDING DOCUMENT⁵

The representatives of the participating States of the Conference on Security and Cooperation in Europe, appointed by the Ministers of Foreign Affairs of these States, met at Belgrade from 4 October 1977 to 8 March 1978 in

accordance with the provisions of the Final Act relating to the Follow-up to the Conference.

The participants received a message from the President of the Socialist Federal Republic of Yugoslavia, Josip Broz Tito, and were addressed by Mr. Milos Minic, Vice-President of the Federal Executive Council and Federal Secretary for Foreign Affairs of the Socialist Federal Republic of Yugoslavia.

Contributions were made by the following non-participating Mediterranean States: Algeria, Egypt, Israel, Lebanon, Morocco, Syria and Tunisia.

The representatives of the participating States stressed the importance they attached to detente, which has continued since the adoption of the Final Act in spite of difficulties and obstacles encountered. In this context they underlined the role of the CSCE, the implementation of the provisions of the Final Act being essential for the development of this process.

The representatives of the participating States held a thorough exchange of views both

U.S.S.R.

Department Statement

We have studied with interest the reports of the remarks made this week by President Brezhnev and other Soviet officials on the present state of U.S.-Soviet relations.

President Brezhnev's positive evaluation of the results of the visit by Politburo member Ponomarev corresponds with our own impression, and we are pleased that the Presidium of the Supreme Soviet desires to continue its exchanges with the Congress of the United States.

President Brezhnev's expressed determination to work toward a prompt and mutually advantageous SALT agreement corresponds with our own intentions, and we believe, as he does, that such an agreement can be an important step toward a further improvement in the relations between our two countries.

It is evident that the character of our general relations also depends upon restraint and constructive efforts to help resolve local conflicts, such as in the Horn of Africa. Intervention in this tragically embattled area by the continued shipment of weapons and military personnel, some of them involved in combat roles, inevitably widens and intensifies hostilities and raises the general level of tension in the world. □

Press release 95 of Feb. 27, 1978.

Letter of Credence

On February 15, 1978, the following newly appointed Ambassador presented his credentials to President Carter:

Bulgaria—Konstantin Nicolov Grigorov □

on the implementation of the provisions of the Final Act and of the tasks defined by the Conference, as well as, in the context of the questions dealt with by the latter, on the deepening of their mutual relations, the improvement of security and the development of co-operation in Europe, and the development of the process of detente in the future.

The representatives of the participating States stressed the political importance of the Conference on Security and Co-operation in Europe and reaffirmed the resolve of their Governments, to implement fully, unilaterally, bilaterally and multilaterally, all the provisions of the Final Act.

It was recognized that the exchange of views constitutes in itself a valuable contribution towards the achievement of the aims set by the CSCE, although different views were expressed as to the degree of implementation of the Final Act reached so far.

They also examined proposals concerning the above questions and the definition of the appropriate modalities for the holding of other meetings in conformity with the provisions of the chapter of the Final Act concerning the Follow-up to the Conference.

Consensus was not reached on a number of proposals submitted to the meeting.

In conformity with the relevant provisions of the Final Act and with their resolve to continue the multilateral process initiated by the CSCE, the participating States will hold further meetings among their representatives. The second of these meetings will be held in Madrid commencing Tuesday, 11 November 1980.

A preparatory meeting will be held in Madrid commencing Tuesday, 9 September 1980, to decide on appropriate modalities for the main Madrid Meeting. This will be done on the basis of the Final Act as well as of the other relevant documents adopted during the process of the CSCE.

It was also agreed to hold, within the framework of the Follow-up to the CSCE, the meetings of experts of the participating States indicated below.

In conformity with the mandate contained in the Final Act and according to the proposal made to this effect by the Government of Switzerland a meeting of experts will be convened at Montreux on 31 October 1978, charged with pursuing the examination and elaboration of a generally acceptable method for peaceful settlement of disputes aimed at complementing existing methods.

Upon the invitation of the Government of the Federal Republic of Germany, the meeting of experts envisaged in the Final Act in order to prepare a "Scientific Forum" will take place in Bonn starting on 20 June 1978. Representatives of UNESCO [U.N. Educational, Scientific and Cultural Organization] and the United Nations Economic Commission for Europe shall be invited to state their views.

Upon the invitation of the Government of Malta, a meeting of experts on the Mediterranean will be convened on 13 February 1979 in Valletta. Its mandate will be, within the

Visit of Yugoslav President Tito

President Josip Broz Tito of Yugoslavia made a state visit to Washington March 6-9 to meet with President Carter and other government officials. Following is a joint statement issued by the White House on March 9.¹

During the visit, President Tito met with members of the House of Representatives and Senate. The talks reflected a high degree of interest in the legislative bodies of both countries to promote understanding and contacts between the peoples of Yugoslavia and the United States, including a broadened exchange of political leaders. President Tito also met with other distinguished Americans.

The two Presidents held extensive and useful talks in a spirit of mutual regard, candor, and friendship. They agreed that the significant improvement in bilateral relations over the past year, marked by a series of personal messages between them as well as by high-level visits and consultations, should be continued and deepened, building upon the basis of mutual respect which the United States and the

Socialist Federal Republic of Yugoslavia hold for each other as equal, dependent, and sovereign states. They confirmed that the principles contained in previous joint statements (Washington, October 1971 and Belgrade, August 1975)² have been tested in practice and that they, together with the present statement, constitute the basis for developing relations between the two countries. The two Presidents considered this meeting a major step in reinforcing the already strong foundation of US-Yugoslav relations. The views of the two sides reflected wide areas of agreement on the issues discussed.

The two Presidents, noting the deep historical and cultural ties between their peoples, agreed that Americans and Yugoslavs have played a major role in strengthening the bonds of friendship and understanding between their past and present homelands.

The two Presidents noted with satisfaction that economic exchanges between their two countries have developed positively, but agreed that there was potential for substantial additional interchange. While approving

the framework of the Mediterranean Chapter of the Final Act, to consider the possibilities and means of promoting concrete initiatives for mutually beneficial co-operation concerning various economic, scientific and cultural fields, in addition to other initiatives relating to the above subjects already under way. The non-participating Mediterranean States will be invited to contribute to the work of this meeting. Questions relating to security will be discussed at the Madrid Meeting.

The duration of the meetings of experts should not exceed 4-6 weeks. They will draw up conclusions and recommendations and send their reports to the Governments of the participating States. The results of these meetings will be taken into account, as appropriate, at the Madrid Meeting.

All the above-mentioned meetings will be held in conformity with paragraph 4 of the chapter on "Follow-up to the Conference" of the Final Act.

The Government of the Socialist Federal Republic of Yugoslavia is requested to transmit the present document to the Secretary-General of the United Nations, to the Director-General of UNESCO and to the Executive Secretary of

the United Nations Economic Commission for Europe. The Government of the Socialist Federal Republic of Yugoslavia is also requested to transmit the present document to the governments of the Mediterranean non-participating States.

The representatives of the participating States expressed their profound gratitude to the people and Government of the Socialist Federal Republic of Yugoslavia for the excellent organization of the Belgrade Meeting and the warm hospitality extended to the delegation which participated in the Meeting.

¹ Statement at the final plenary meeting of the CSCE on Mar. 8, 1978, in Belgrade. Ambassador Arthur J. Goldberg is chairman of the U.S. delegation to the CSCE.

² For text of joint statement issued on Mar. 9, 1975, following the meetings between Presidents Carter and Tito, see p. 44.

³ For text of CSCE Final Act, see BULLETIN of Sept. 1, 1975, p. 323.

⁴ For statement by Ambassador Goldberg at the opening plenary session on Oct. 6, 1977, see BULLETIN of Nov. 14, 1977, p. 674.

⁵ Issued in Belgrade on Mar. 8, 1978.

balanced nature of trade between the two countries, they emphasized the need for further efforts to expand its volume, to strengthen industrial cooperation, to promote travel and tourism, to encourage joint ventures and to improve opportunities for business representatives to work in both countries. The two Presidents expressed their appreciation for the contribution of the United States-Yugoslav Economic Council to the development of economic relations and welcomed the establishment of joint economic/commercial working groups which will serve to facilitate increased trade and economic cooperation.

The two sides confirmed their mutual interest in the free flow of information and people between their two societies and endorsed both governmental and non-governmental cultural and information exchange programs which further this goal. In addition the two Presidents agreed that greater understanding by the general public of each society's culture and social development would be beneficial. They affirmed the importance of scientific and technological cooperation as well as exchanges in the field of social and



A PROFILE

Geography

Area: 99,000 sq. mi. (about two-thirds the size of California).

Capital: Belgrade (pop. 845,000).

Other Cities: Zagreb (602,000), Skopje (389,000), Sarajevo (292,000), Ljubljana (258,000).

People

Population: 21.6 million (1977 est.).

Annual Growth Rate: 1%.

Density: 207 per sq. mi.

Ethnic Groups: 40% Serbs, 22% Croats, 8% Slovenes, 8% Bosnian Muslims (regarded as a separate ethnic group), 6% Macedonians, 6% Albanians, 2% Montenegrin Serbs, 2% Hungarians, 1% Turks.

Religions: Eastern Orthodox (Serbian and Macedonian), Roman Catholic, Islam.

Languages: Serbo-Croatian, Slovene, Macedonian, Albanian, Hungarian.

Literacy: 85%.

Life Expectancy: 66 yrs.

Government

Official Name: Socialist Federal Republic of Yugoslavia (SFRY).

Type: Federal Republic.

Independence: Dec. 1, 1918.

Date of Constitution: Feb. 1974.

Branches: *Executive*—President (Chief of State, elected to unlimited term), Pre-

mier (Head of Government and President of the Federal Executive Council); Cabinet (Federal Executive Council). *Legislative*—bicameral SFRY Assembly (278 delegates). *Judicial*—Constitutional Court.

Political Party: League of Communists of Yugoslavia.

Suffrage: Universal over 18.

Administrative Subdivisions: 6 republics, 2 autonomous provinces.

Economy

GNP: \$37.7 billion (1976).

Annual Growth Rate (76/75): 3.7%.

Per Capita GNP: \$1,752 (1976).

Annual Per Capita Growth Rate [of GNP] (76/75): 2.7%.

Agriculture: Land—33% arable; labor—48%; products—corn, wheat, tobacco, sugar beets.

Industry: Labor—52%; products—wood, processed food, nonferrous metals, machinery, textiles.

Natural Resources: Bauxite, timber, antimony, chromium, lead, zinc, asbestos, mercury, cadmium.

Trade: *Exports*—\$4.9 billion (1976): timber, nonferrous metals, machinery and metal products, textiles, iron, and steel. *Partners*—U.S.S.R., Italy, F.R.G., U.S. *Imports*—\$7.4 billion (1976): machinery and metal products, chemicals, textiles, iron, petroleum,

steel. *Partners*—F.R.G., Italy, U.S.S.R., Iraq.

Official Exchange Rate: Fluctuates around 18 dinars to US\$1.00.

Economic Aid Received: Total—\$5 billion (1945–76). *U.S. only*—\$2.9 billion (1950–67), including \$700 million in grant military assistance (1951–59). U.S. economic aid ceased Jan. 1, 1967.

Membership in International Organizations

U.N. and its specialized agencies, GATT, IBRD, IMF, IAEA, CEMA (observer status), EEC, OECD.

Principal Government Officials

Yugoslavia: President of the Republic—Josip Broz Tito; Federal Secretary for Foreign Affairs—Milos Minic; Ambassador to the U.S.—Dimce Belovski.

United States: Ambassador Lawrence S. Eagleburger.

Taken from the Department of State's February 1978 edition of the BACKGROUND NOTES on Yugoslavia. Copies of the complete NOTE may be purchased for 50¢ from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (a 25% discount is allowed when ordering 100 or more NOTES mailed to the same address).

physical sciences, education, culture, and information and pledged to develop them further.

Presidents Carter and Tito examined major international issues. They devoted special attention to questions of peace and security in the world and to the promotion of international cooperation. They affirmed the necessity of extending the policy of the reduction of tensions to all regions of the world and all areas of international relations and of ensuring an opportunity for all countries to contribute to the resolution of current world problems and to the strengthening of peace and security. They underlined in particular that all countries should seek to resolve disputes by peaceful means and should deal with each other on the basis of equality.

They also affirmed that the right of all states to determine their own social systems without outside interference must be respected and that relations among states, regardless of differences or similarities in their social, political, and economic systems, must be based on the spirit and principles of the United Nations Charter.

Presidents Carter and Tito agreed that nonalignment is a very significant factor in world affairs. They share the view that the nonaligned countries can and should make an active contribution to the resolution of international problems and to the more favorable evolution of international relations. President Carter reaffirmed the respect of the United States for Yugoslavia's commitment to nonalignment and for the role Yugoslavia plays in that movement.

President Tito welcomed the steps taken by the United States Government over the past year on a number of long-standing issues of concern to the nonaligned. In this connection President Carter thanked President Tito for this warm message of support for the treaties which the United States has negotiated with the Republic of Panama concerning the future status of the Panama Canal. President Tito reaffirmed his view that the treaties would serve the interest of peace and stability in the region and throughout the world.

The two Presidents reviewed recent developments and pledged renewed efforts to lower the barriers to understanding and contact between all peoples of Europe, in accordance with their common aspirations. In this regard, they discussed the results of the Belgrade Conference and agreed that it has significantly strengthened the foundations for the continuation of multilateral efforts to increase security and cooperation in Europe. They reaffirmed

their commitment to the success of the CSCE [Conference on Security and Cooperation in Europe] process and to full implementation of all sections of the Final Act. They urged all signatory states to join in efforts to achieve full implementation in order to further the process of consultation and contact between the participating countries and to promote mutual understanding. They pledged continued efforts toward these goals in the period leading to the next Conference in Madrid in 1980.

Presidents Tito and Carter expressed their special concern about the situation in the Middle East which remains a source of great tension in international affairs. They agreed on the urgent need to find a comprehensive, just and lasting solution to the problems of the Middle East and explained in detail their respective views on the current situation.

The two Presidents also agreed that the Ethiopia-Somalia conflict should be resolved by peaceful means, taking account of the need to respect both territorial integrity and the legitimate aspirations of the peoples of both countries, and in conformity with the principles of the Charter of the Organization of African Unity and the Charter of the United Nations. They expressed their belief that the international community should exert greater efforts for securing conditions to maintain the territorial integrity, independence and nonaligned position of these two countries.

In their discussion of developments in Southern Africa, the two Presidents expressed support for the legitimate aspirations of the African peoples to self-determination and majority rule. They condemned racism in all forms.

The two Presidents discussed a variety of aspects of human rights in the contemporary world and agreed that efforts toward the implementation of human rights in all countries should be in accord with the provisions of the Charter of the United Nations, the Universal Declaration of Human Rights and the Helsinki Final Act.

Presidents Carter and Tito reviewed the international economic situation with particular attention. While approaching global economic problems from different perspectives, they recognized their gravity and stressed the need for necessary changes in world economic relations which take into account the interests and equality of all countries. They noted in particular the importance of increased support for accelerated economic development for the developing countries and a broader linkage between the economies of the industrialized and developing coun-

tries. They emphasized the significance of the global economic dialogue as a vital element in fostering cooperation between the industrialized and developing countries, which is an indispensable precondition for the settlement of existing economic problems.

The two Presidents voiced their deep concern over the continuation of the arms race, which renders difficult the solution of substantial political, economic, and other problems besetting mankind today. Both governments believe that durable peace in the world as a whole can only be assured if effective measures are undertaken to halt the arms race and to take concrete steps toward nuclear disarmament toward the ultimate goal of general and complete disarmament. In this connection, the two Presidents underscored the importance of the negotiations on strategic arms limitations, mutual and balanced force reductions in Central Europe and other efforts to limit the arms race. They also stressed the importance of the forthcoming special session of the General Assembly of the United Nations devoted to disarmament.

The two Presidents emphasized the decisive importance of the development of energy for the economic growth of all countries, and of the development of countries in particular, and they believe therefore that nuclear energy for peaceful purposes should be made accessible to all countries without discrimination. The two Presidents also pointed to the danger of the proliferation of nuclear weapons and agreed that this danger can be diminished through an effective reduction of existing nuclear armaments and through the development of application of nuclear energy for peaceful purposes and the implementation of measures in accordance with the provisions and objectives of the Treaty on [the] Non-Proliferation of Nuclear Weapons and other international agreements within the framework of the International Atomic Energy Agency.

The two Presidents observed that terrorism is a common scourge of the international community, and they agreed that effective measures must be taken to eliminate this senseless threat to people throughout the world. President Carter specifically condemned the violence directed against Yugoslavia by terrorists in the United States and pledged his government's commitment to take firm measures to prevent and prosecute such criminal activity which is against the interests of the United States and of good United States-Yugoslav relations.

President Carter reiterated the continuing support of the United States for

independence, territorial integrity and unity of Yugoslavia. During the it was stressed that good relations cooperation between the United States and Yugoslavia constitute an essential element of American foreign policy and that the United States is interested in a strong and independent Yugoslavia as a factor for balance, peace and stability in Europe and in the world.

President Tito extended an invitation to President Carter to pay an official visit to Yugoslavia. The invitation was accepted with pleasure. □

Introductory paragraphs omitted; for full text, see Weekly Compilation of Presidential Documents of Mar. 13, 1978. For an exchange of remarks between President Carter and President Tito at the welcoming ceremony on the South Lawn of the White House and for an exchange of toasts on Mar. 7, see Weekly Compilation of Presidential Documents of Mar. 13, p. 73 and 475 respectively.

For texts of joint statements, see BULLETINS of Nov. 22, 1971, and Sept. 8, 1975.

Visit of Danish Prime Minister Jørgensen

Prime Minister Anker Jørgensen of Denmark made an official visit to Washington February 21-23 to meet with President Carter and other government officials. Following is the text of the White House statement issued on February 21.

President Carter met with Prime Minister Anker Jørgensen of Denmark on February 21 at the White House.¹ The two leaders reviewed economic trends in their two countries, in the West generally, and in the world. They agreed that continued close cooperation among the industrial democracies is necessary to increase economic growth, resist protectionism, and work toward resolving global economic problems. The two leaders emphasized the importance of the multilateral trade negotiations in encouraging freer trade to promote orderly growth in both developed and developing nations.

Prime Minister Jørgensen gave the President his assessment of developments affecting the European Community, including the direct elections to the European Parliament and the applications by Greece, Portugal, and

HUMAN RIGHTS: Country Reports

by Mark L. Schneider

Let me emphasize that we are engaged in a continuing process of incorporating protection of human rights as a first priority in the design and conduct of our foreign policy. It is within that framework that the 1978 Country Reports [on Human Rights Practices] should be examined.¹ We are determined to obtain the most up-to-date and accurate picture of human rights conditions in individual countries. That picture is vital to our decisionmaking, and we are sure it also will aid the Congress in coming to its own judgments. The reports were compiled in fulfillment of the requirements of Section 502B(b) and Section 116(d)(1) to cover those countries receiving economic development assistance under Part I of the Foreign Assistance Act of 1961, as amended, or countries which were proposed as recipients of security assistance for fiscal year 1979. Therefore, there are many countries omitted from the country reports, among them some of the worst violators of human rights.

These 105 reports were compiled over a period of some 6 months and in-

involved our embassies in each country, the regional bureaus, and a series of functional bureaus, including the Bureau of Human Rights and Humanitarian Affairs. The reports drew on information which the Department had in its possession but required special reporting on current conditions. To a substantial degree we intensified the reporting requirements over the course of the year, resulting in continuing efforts to improve the quality of these submissions.

Field comments, public information from the media, findings of congressional committees, reports and documentation from international non-governmental organizations all were used in the preparation of these reports. Numerous visits abroad of high-level Department officials have proved fruitful in obtaining firsthand information. We also receive a steady stream of visitors from many countries who share their impressions with us.

The regional bureaus synthesized the reports from the field and their drafts were then reviewed and commented upon by the various functional bureaus. The Bureau of Human Rights and Humanitarian Affairs collated all of the reports attempting to assure that all rel-

Spain for Community membership. President Carter reaffirmed the U.S. commitment to European unity and support for the European Community, as underscored by his visit to EC headquarters in January.

The President and the Prime Minister reaffirmed the shared commitment of their nations to NATO and to the defense of Western Europe. The two expressed satisfaction at the progress the allies have made in implementing the measures agreed at last May's NATO summit, and they discussed the forthcoming NATO summit, this May in Washington. They noted close U.S.-Danish cooperation in NATO programs, including joint production with other NATO countries of the F-16 aircraft.

The President and Prime Minister exchanged views on major issues in East-West relations. They noted the close coincidence in the positions of their two governments on the CSCE [Conference on Security and Coopera-

tion in Europe] review conference in Belgrade, and the President praised the role of the EC-Nine within the broader NATO consultations. They stressed the continuing need in the future for similar frank and detailed reviews of the implementation of the entire Helsinki Final Act, including its important provisions regarding human rights and humanitarian matters.

The two leaders exchanged views on current developments and prospects for progress in the Middle East, southern Africa, and Cyprus. The two leaders also agreed on the need to reduce arms sold by all weapons-producing nations. The President welcomed Denmark's participation in the International Fuel Cycle Evaluation. □

Opening paragraph omitted; for full text, see Weekly Compilation of Presidential Documents of Feb. 27, 1978.

¹ The Prime Minister is also current President of the European Council.

evant information had been taken into account and trying to see that the various regions treated countries in an equally balanced and comprehensive manner.

I can assure the subcommittee that many, many hours were spent in trying to pull together these varied sources of information to produce these reports. There undoubtedly will continue to be constructive and vigorous debate and disagreement over specific statements or over the weight given to one or

another aspect of a particular country's practices.

As the chairman is aware, these reports were being prepared during the process in which decisions as to the FY 1979 security assistance budget proposal also were being decided. The Assistant Secretary of Human Rights and Humanitarian Affairs [Patricia M. Derian] is a member of the Arms Export Control Board, which considers all aspects of the U.S. arms transfers policy. In addition, as a member of the Security Assistance Advisory Group which is charged with advisory responsibilities in the area of security assistance proposals, the bureau raised human rights questions about individual countries. These questions were considered along with other U.S. national interests.

It should be emphasized that the process of review of the security assist-

ance program has extended through the Department so that proposals forwarded by country officers of geographic bureaus have, for the first time, systematically and uniformly included human rights considerations.

Excerpts from a statement before the Subcommittee on International Organizations of the House Committee on International Relations on February 15, 1978. The complete transcript of the hearings will be published by the committee and be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Mr. Schneider is Deputy Assistant Secretary for Human Rights and Humanitarian Affairs.

¹ The report, submitted to the House Committee on International Relations and the Subcommittee on Foreign Relations, is a joint committee print dated Feb. 3, 1978. It is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, for \$4.25.

Human Rights Treaties

On February 23, 1978, President Carter sent four human rights treaties to the Senate for ratification. The first three, all negotiated at the United Nations, are:

- The International Convention on the Elimination of All Forms of Racial Discrimination, signed by Arthur J. Goldberg, then U.S. Permanent Representative to the United Nations, on September 28, 1966;
- The International Covenant on Economic, Social and Cultural Rights, signed by President Carter on October 5, 1977; and
- The International Covenant of Civil and Political Rights, signed by President Carter on October 5, 1977.

The fourth treaty is the American Convention on Human Rights, signed by President Carter on June 1, 1977. Adopted by the Organization of American States in 1969, it is open only to members of that Organization.

In urging a rapid consent to ratification, President Carter reminded the Senate that although the three U.N. treaties have entered into force and are widely approved by the world community, the United States remains one of the few major countries not party to them. This failure, he said, prejudices U.S. participation in the development of the international law of human rights. Ratification will be a positive expression of the U.S. desire to work in concert with other nations to promote a greater respect for human rights.

The President's letter of transmittal to the Senate is printed in the Weekly Compilation of Presidential Documents of February 27; the texts of the State Department reports and the four treaties are printed in S.Ex. C, D, E, and F of February 23. □

MIDDLE EAST: U.S.-Iran Joint Commission

Joint Communiqué

The U.S.-Iran Joint Commission for Economic Cooperation held its fourth session in Washington on February 28, 1978. The Delegation of the United States was headed by the Honorable Cyrus Vance, Secretary of State, and the Iranian Delegation was led by H.E. Mohammed Yeganeh, Minister of Economic Affairs and Finance. High officials of both governments also took part in the discussions.

During his visit to Washington, Minister Yeganeh also met with Secretary of the Treasury Michael Blumenthal and other U.S. officials for discussions on a broad range of economic and other issues of mutual interest.

Minister Yeganeh and Secretary Vance reviewed the current international economic situation and discussed bilateral matters in the spirit of mutual respect and understanding that has long characterized U.S.-Iranian relations. The U.S. side noted with satisfaction Iran's recent efforts to apply a freeze on oil prices during 1978, and assured Iran of the U.S. determination to meet its long-term energy needs by promoting conservation and the development of alternate sources of energy, and also to take effective measures in curbing inflation and improving the international monetary situation.

The two sides emphasized the impor-

tance of carrying out the recommendations of the Conference on International Economic Cooperation (CIEC) and agreed to pursue the positive dialogue in the United Nations overview mechanism established by United Nations General Assembly Resolution 32/174 of December 1977.

The U.S. side expressed its appreciation for Iran's efforts in the Economic and Social Council of the United Nations to conclude an international agreement on illicit payments. The two sides explored possibilities for further cooperation towards this end.

The Joint Commission meeting followed several days of preparatory meetings by its five standing joint committees, each of which had prepared detailed proposals for the Commission's consideration. The two sides reviewed the status of progress of the programs approved at the last Joint Commission meeting in Tehran in August 1976, and considered the recommendations for cooperation in new areas offered by the committees. The Commission concluded that there is a vast scope for cooperation between Iran and the United States for their mutual benefit.

Economy and Finance. Both sides reaffirmed their belief that the potential for expansion of commercial relations between the two countries is very great. They registered their determina-

on to work towards that end and discussed ways of doing so. In this connection the Iranian Delegation expressed Iran's interest in being made eligible for the U.S. Generalized System of Preferences, which it considers important for the development of future trade relations between the two countries.

The Commission agreed that cooperation in development of various fields industries, such as chemical, pharmaceutical, engineering, basic metals, petrochemicals, transportation equipment, electronics, and other industries in Iran will be greatly facilitated if it involved capital participation as well as financing, transfer of technology and export financing.

Both sides noted with pleasure the broad range of cooperative activities envisaged in the field of health, including the establishment of the Imperial Medical Center of Iran. The Commission expressed particular satisfaction that the two countries had successfully operated in the establishment of the Food and Drug Administration (FDA) in Iran.

Housing. The Commission noted the priority attached by Iran to the development of middle and low income housing, and agreed that there are significant opportunities for cooperation in this area.

Transportation. The Commission discussed cooperation of the two countries in the field of transportation, including construction of toll roads in Iran and expressed satisfaction at the conclusion in June 1977 of a technical service agreement between the U.S. Federal Aviation Administration and the Iranian Civil Aviation Organization to upgrade the air traffic control system in Iran.

Energy. The two sides expressed satisfaction over the recent progress towards conclusion of a bilateral

Most Favored Nation basis, and in accordance with International Atomic [Energy] Agency (IAEA) safeguards and the objectives of the Non-Proliferation Treaty (NPT) for the participation of the United States in the Iranian nuclear power program.

The Commission reviewed the recent cooperation between the two countries in the training of Iranian nuclear power engineers and discussed possible future programs for the establishment of an export refinery in Iran and exchange of information in respect to enhanced oil and gas recovery technology, as well as uranium exploration and solar energy training and application.

Agriculture. The Commission agreed to encourage further cooperation between the private sectors of the two countries in agriculture.

Both delegations expressed satisfaction with the current and proposed training and consultancy programs in extension, soya and cotton production, forestry, veterinary services, plant quarantine and data collection.

Manpower and Technical Cooperation. The Commission reviewed

cooperation between the two countries in the field of manpower and technical cooperation and noted with satisfaction the completion of joint activities in vocational training, manpower statistics, audio-visual techniques, on-the-job training and expatriate employment practices.

Experts of the two sides will meet in Iran in the near future to initiate several cooperative programs in technical education, productivity improvement, data processing and vocational training.

Science, Technology and Education. The Commission noted progress achieved since the August 1976 meeting in Tehran, particularly in the fields of education, oceanography, meteorology, remote sensing application and environment. Proposals for future cooperation in educational technology, geological research, earthquake effects mitigation, arid lands sciences and establishment of links between research laboratories and industry were welcomed by both delegations. □

Issued Feb. 28, 1978 (text from press release of Feb. 28).

NUCLEAR POLICY: *Non-Proliferation Act of 1978*

Statement by President Carter

I am pleased to sign into law today H.R. 8638, the Nuclear Non-Proliferation Act of 1978. Enactment of this legislation takes us a major step toward fulfillment of an objective which the United States shares with other nations—a halt in the spread of nuclear weapons capability while preserving the peaceful use of nuclear energy.

The Congress has responded to this challenge with both care and courage in establishing a framework for insuring that we meet these objectives. Senators Ribicoff, Glenn, and Percy; Representatives Zablocki, Bingham, and Findley; their colleagues on the committees which developed this bill; and their staffs have my respect and my thanks for their leadership on this issue. It has been a privilege for me, as it has been for Secretary Vance and other members of my Administration, to work with them on the Nuclear Non-Proliferation Act of 1978.

Our efforts to prevent the spread of nuclear weapons began more than 30 years ago, when we went to the United Nations with an offer to place certain

aspects of nuclear energy under international ownership and control. The passage of the Atomic Energy Act of 1954 and the adoption of the Non-Proliferation Treaty by the United Nations in 1968 and now this law, each has moved us further toward attainment of our nonproliferation goals.

On April 7 and 27 of last year, I outlined the policies and programs which we would implement to diminish proliferation risks.¹ Today, I want to reaffirm this Administration's strong commitment to that policy. We also recognize that nuclear power technologies now in operation, which do not involve nuclear fuel reprocessing, can and must provide an important source of energy for our nation and for other countries. Our current once-through fuel cycle is and will continue to be a significant contributor to our energy supply. Properly managed, it can function without increasing the risks of proliferation. Our policy takes a responsible course between forgoing the energy benefits of nuclear power and becoming committed to commercialized use of plutonium before we know that we can deal safely with its risks.

I continue to oppose making prema-

Editor's Note

Material concerning the Palestinian terrorist attack inside Israel on March 11 and Israel's retaliatory military action inside southern Lebanon, as well as the text of a U.N. Security Council resolution, will be published in the May issue of the BULLETIN.

Agreement for the Peaceful Uses of Nuclear Energy, which should be signed in the near future. It is anticipated that the final accord will open an era for wide collaboration under a

ture and unnecessary commitments to commercialization of the fast breeder reactor and reprocessing, as exemplified in the United States by the Clinch River and Barnwell projects.

We and the other nations of the world must use the time we now have and pause to develop safer technologies, better institutional arrangements, and improved safeguards which will permit all nations to achieve their energy objectives while preventing the spread of nuclear weapons.

More than 40 nations have already joined with us in an International Nuclear Fuel Cycle Evaluation [INFCE] to explore and assess our means of meeting these twin goals. During this period of examination, the uranium-fueled reactors now in widespread operation can be used without incurring new proliferation risks. If our common search for improved institutions and technologies is to be successful, however, all nations will be required to avoid those steps which prejudice the outcome of the INFCE.

The Nuclear Non-Proliferation Act sets the conditions and criteria which will govern U.S. cooperation with other nations in our efforts to develop the peaceful use of nuclear energy. The encouragement of universal ratification of the Non-Proliferation Treaty is central to the act, as is the establishment of a comprehensive set of controls, including application of International Atomic Energy Agency safeguards and provision of a stable framework for international nuclear cooperation and commerce. The act will also make our export licensing process more predictable.

We also will be taking steps to strengthen the safety and security of the fuel cycle we now have in operation and to insure that it continues to be an efficient and reliable source of energy, both domestically and abroad.

Over the course of this year, we will develop comprehensive policies for management and disposal of radioactive waste, including implementation of the spent fuel storage program announced last October. To insure our ability to continue as a reliable supplier of uranium fuel to those who share our nonproliferation objectives, we are moving ahead with a new enrichment plant at Portsmouth, Ohio.

Preventing nuclear proliferation will not be easy—some have called this task impossible. I believe, however, that halting the spread of nuclear weapons is imperative. We must press forward in our efforts. Fear of failure cannot be allowed to become a self-fulfilling prophecy.

In our first year, we have made sub-

stantial progress. The nuclear-supplying countries have agreed upon and published guidelines for the export of nuclear fuel and technology. The International Nuclear Fuel Cycle Evaluation is underway. As this legislation now becomes law, we are establishing clear criteria and incentives for nuclear cooperation, as well as sanctions against violations of safeguards.

Although I still have reservations about the numerous provisions in this act which state that Congress may invalidate or approve executive branch action by concurrent resolution, I am signing it because of its overwhelming importance to our nonproliferation policy. I do wish to make clear, however, that by signing this act, I am not agreeing that the Congress can overturn authorized executive actions through procedures not provided in the Constitution.

In conclusion, I am persuaded that the new criteria, incentives, and procedures in this act will help solve the problems of proliferation. They will help to insure that access to nuclear energy will not be accompanied by the spread of nuclear explosive capability. While I recognize that some of these

provisions may involve adjustments with our friends abroad, this more comprehensive policy will greatly increase international security. I believe they will ultimately join us in our belief that improved world security justifies the steps which we all must take to bring it about. Control over the spread of nuclear weapons on this planet is one of the paramount questions of our time.

If the world is to benefit from the great potential of nuclear power, we must act now to protect ourselves and future generations from its worst dangers. We in the United States will dedicate our expertise and technical resources to this task, and we urge other countries to do the same. Let us continue to work together to achieve these goals.

Made on signing H.R. 8638 into law Mar. 10, 1978 (text from Weekly Compilation of Presidential Documents of Mar. 13). H.R. 8638 is Public Law 95-242, approved Mar. 10.

¹For text of President Carter's April 7, 1978 statement, see BULLETIN of May 2, p. 429; for text of his message to the Congress of April 10, 1978, see BULLETIN of May 16, p. 477.

Safeguards Agreement

White House Announcement

President Carter on February 9 fulfilled a 10-year U.S. pledge for nuclear safeguards by submitting to the Senate for ratification a treaty with the International Atomic Energy Agency (IAEA) [Agreement between the Government of the United States and the International Atomic Energy Agency for the Application of Safeguards in the United States of America with attached Protocol]. The treaty would make all U.S. nuclear facilities, except those with direct national security significance, eligible for the application of safeguards by this international Agency.

Under the Nuclear Nonproliferation Treaty (NPT), the 99 non-nuclear-weapon-member states are required to accept IAEA safeguards on all of their peaceful nuclear facilities. While the NPT does not impose this duty on nuclear-weapon states, the U.S. voluntary offer to enter into such a safeguards agreement has been extremely important in inducing other nations to adhere to the treaty. U.S. will-

ingness to accept the same safeguards as the NPT requires for non-nuclear-weapon states is tangible evidence of our belief that the NPT does not discriminate against non-nuclear-weapon states. It also demonstrates the U.S. conviction that the application of international safeguards neither hampers nor impedes development of nuclear power nor puts the safeguarded party at a commercial disadvantage.

This offer by the United States brings its nuclear facilities not having direct national security significance under international safeguards was first made on December 2, 1967, by President Lyndon Johnson. It has been endorsed by all succeeding Administrations.

Upon entry into force, this treaty will be an additional signal to the world, including both nuclear supplier and recipient nations, of our continuing support for the universal application of IAEA safeguards and our desire that all nations adhere to the Nuclear Non-Proliferation Treaty.

The safeguards call for inventory and design information to be submitted to

OCEANS: Antarctic Resource and Environmental Concerns

Patsy T. Mink

It has been over 2½ years since our testimony on Antarctic resources before this committee, and there have been important developments in the interim. Since you last held Antarctic hearings on May 15, 1975, the Antarctic Treaty countries have held two regular consultative meetings, the eighth and ninth in 1975 and 1977, and two extended preparatory meetings, one in 1976 dealing with mineral resources and one in 1977 devoted to marine living resources of the Antarctic.

In addition, a special consultative meeting, the first of its kind, was held in 1977 at which the original treaty signatories, who are also consultative parties, welcomed Poland—the first non-claiming party to achieve consultative status and thus entry to the treaty regime. Poland, which had signed the treaty in 1961, became the 13th nation to join those entitled by the treaty to meet periodically to deal with questions involving Antarctica. A second special Antarctic Treaty consultative meeting is scheduled to start on February 27 in Australia. It will deal with Antarctic marine living resources issues.

Background

The Antarctic, long the domain of scientists whose rights to unimpeded movement through the region are guaranteed by the Antarctic Treaty, has increasingly become the focus of attention as a potential source of valuable resources. This attention has manifested itself primarily in interest in aquatic resources, especially krill, because of the vast quantities believed to exist and the supposedly relative ease of its exploitation. The flurry of public interest in mineral resources, especially petroleum, that stemmed from the period of the 1973 OPEC [Organization of Petroleum Exporting Countries] oil embargo and the coincidental reports of possible oil reserves offshore of the Antarctic Continent, appears to have subsided somewhat.

Within the executive branch, however, and in the councils of other Antarctic Treaty consultative parties, both the mineral and living resources issues have been kept under scrutiny; 1978 will be devoted largely to marine living resource questions while 1979 will probably see fuller discussion of mineral resource issues.

The United States will act as host to the tenth Antarctic Treaty consultative meeting in 1979, the 20th anniversary of the signing of the treaty in Washington. Between now and then it is also likely that there will be as many as six or seven multilateral meetings on Antarctic matters dealing with things ranging from improvement of telecommunications to the decisive meeting to negotiate a living marine resource conservation regime.

In all, I can say that the international discourse in the Antarctic in the past few years has been fruitful. U.S. policy objectives have, in the main, been achieved. The general public and the private sector in the United States have also made their views known to the Department. Indeed, in the past year consultations with conservation groups in particular have been beneficial in the policy formulation process, and their adviser role on U.S. delegations dealing with Antarctic matters has been solicited and accepted. This is a departure from the practice of exclusion of public members prevalent as late as 1976 and still exercised by almost all other consultative parties.

Resource Issues

Turning now to resource issues, U.S. policy is governed by two primary considerations.

- First, protection of the environment and preservation of the ecosystem from undue harm is essential.
- Second, resources, if ever exploited, must be used wisely and taken only under appropriate environmental safeguards.

The thrust of this policy can be seen in the recommendations on mineral resources adopted at the eighth and ninth

Antarctic Treaty consultative meetings. These call for continued efforts to achieve a timely international regime to regulate resource exploitation if it should occur and for nations to exercise and urge restraint on commercial exploitation in the meantime.

Mineral Resources. It may be of interest to the committee to learn that the widespread support among consultative parties in the first half of the 1970's for some kind of moratorium on mineral resource activities has largely evaporated. Most consultative parties now believe that a moratorium would simply halt all constructive thinking about a minerals regime without effectively halting an oil rush if a find were made. Therefore, a U.S. offer at the ninth consultative meeting to work toward an acceptable moratorium if a consensus for one developed fell on virtually deaf ears. A feeling of varying degrees of urgency to achieve a regime prevails, one which we welcome because without it the relatively slow pace with which the consultative mechanism moves may not necessarily produce results in a timely fashion.

Marine Living Resources. The question of marine living resources is, in fact, more immediate. The ninth meeting of Antarctic Treaty consultative parties held last fall, and the preparatory meetings held prior to it, witnessed the emergence of Antarctic marine living resource issues as a primary concern to the consultative parties.

The emphasis upon Antarctic marine living resources derived from the coincidence of two factors:

- First, the prospect that large-scale fishing would be initiated in Antarctic waters and
- Second, recognition of the potential vulnerability of the Antarctic marine ecosystem to unregulated harvesting.

It has long been known that Antarctic waters are highly productive and rich in marine life. Uncontrolled harvesting has, in the past, led to serious depletion of Antarctic whale and seal stocks. In the 1960's the attention of scientists and fisheries experts turned to Antarctic krill—small shrimp-like crustaceans (*euphausiids*) which are the primary food for the great whales and which are found in Antarctic wa-

reports on nuclear materials subject to safeguards. □

Text from Weekly Compilation of Presidential Documents of Feb. 13, 1978.

the IAEA. The Agency's fundamental safeguards measure is the accounting of nuclear materials. The United States will submit to the Agency accounting

ters in very large quantities. One species of krill, *Euphausia superba*, forms dense swarms at or near the surface. This, combined with its high protein content, has made krill a leading candidate for commercial harvesting either for direct human consumption or for fish meal. In addition, certain fish species and squid are considered to offer potential for sustained catches.

Exploratory fishing in Antarctic waters was first undertaken by the Soviet Union and Japan. More recently other nations have joined in such activities, notably the Federal Republic of Germany, a nontreaty party, and Poland. South Korea is also planning a krill expedition in late 1978. The large estimates of potential yield of krill—from tens of millions to over 100 million metric tons annually—combined with excess distant water fishing capacity because of restrictions in coastal state 200-mile fishery zones make commercial harvesting a probability—and sooner rather than later.

At the same time there is little experience in large-scale harvesting of resources such as krill which occupy so low and central a role in the marine ecosystem. The Antarctic marine ecosystem represents a finely balanced adaptation to the extreme environmental condition of the southernmost ocean. Uncontrolled harvesting of krill, or other components of the ecosystem, could have unforeseen and perhaps irreversible impacts.

Creating a Conservation Regime

In recognition of these factors, the view emerged at the preparatory meetings for the ninth consultative meeting that adequate conservation of Antarctic marine living resources was an objective of considerable urgency. The United States took the lead in proposing consideration of a conservation regime—a complete system with machinery for identifying conservation needs and developing necessary conservation measures.

In preparing for the ninth consultative meeting, the United States determined that its environmental and other interests would be best served by negotiation of an international convention to establish a conservation regime for Antarctic marine living resources. We believe that the initiative for the creation of such a convention should come from within the Antarctic Treaty system, consistent with the principles and purposes of the treaty. We hold that the convention, however, should be concluded by a separate interna-

tional conference with additional participation by nontreaty parties and international organizations with direct interests in the resources concerned.

The representatives to the ninth meeting of Antarctic Treaty consultative parties held in London, September 19–October 17, 1977, adopted Recommendation IX-2 on Antarctic marine living resources. The recommendation provides that a definitive regime for the conservation of Antarctic marine living resources should be concluded in 1978. The recommendation suggests a two-step process:

- First, a special meeting of consultative parties (to be convened in Canberra February 27–March 16, 1978); and
- Second, a decisive meeting, the dates for which have not yet been fixed.

The recommendation anticipates that the decisive meeting will be a diplomatic conference and that states other than consultative parties with direct interests in Antarctic marine living resources will participate in it, as well as appropriate international organizations on an observer basis. The recommendation also elaborates several principles to be taken into account in developing the regime. Among these is the principle that a regime should apply to the entire Antarctic marine ecosystem.

U.S. Views

The U.S. delegation to the ninth consultative meeting supported Recommendation IX-2. It satisfactorily reflects initial U.S. views on a possible regime to conserve Antarctic marine living resources, specifically, that:

- First, an effective system for the conservation of Antarctic marine living resources, including krill, should be in place prior to large-scale harvesting of such resources;
- Second, a conservation regime should cover the entire range of Antarctic marine living resources—that is, cover the full Antarctic marine ecosystem; and
- Third, the conservation regime should be embodied in an international convention and there should be provision for participation in the negotiations by consultative parties, other countries with direct interest in the resources concerned, and by appropriate international organizations.

Since the ninth consultative meeting, we have directed our attention to the development of our specific policy on a conservation regime for the spe-

cial consultative meeting which opens in Canberra 3 weeks from today [February 27].

This process of policy development involves not only coordination among the interested federal agencies, such as our colleagues here present from the National Oceanic and Atmospheric Administration and the National Science Foundation but also incorporation of the views of the interested public and the Congress and the preparation of an environmental impact statement.

The Department held a public meeting on December 20, 1977, at which both individuals and representatives of nongovernmental organizations presented their views on a possible conservation regime for Antarctic marine living resources. Another will be held on February 10, 1978.

We believe, however, that a more structured means of obtaining public input is required. Therefore, we have amended the charter of the Department's Oceans Affairs Advisory Committee to include Antarctic matters, and we are setting up an Antarctic affairs section of this committee to advise us on Antarctic matters, including Antarctic resource and environmental issues. Our present thinking is that the section will consist of 15 members drawn from various public sectors.

A draft environmental impact statement has been prepared and circulated to interested federal agencies and nongovernmental organizations. A copy of the draft environmental impact statement, which includes a number of appendices, is provided for the record. The Department has scheduled a public meeting on February 10 to receive oral comments on the draft statement. Formal comments of both the public and federal agencies and organizations are not, of course, due until 45 days after the publication of the statement. However, we want to have the benefit of the preliminary comments of members of the public and nongovernmental organizations on February 10 so that we may take these views into account in the formulation of our position for the Canberra special consultative meeting which begins on February 27.

The proposed federal action—the negotiation of a conservation regime—set forth in the draft environmental impact statement also summarizes our current thinking on the elements of a conservation regime. With your permission let me review these elements.

The regime, which would be included in a treaty, would set forth the objectives of the regime and provide

obligations, functions, and machinery necessary to fulfill them.

The proposed conservation regime would apply to all the species which comprise the Antarctic marine ecosystem, except that it would not provide direct regulation of species already covered by existing international agreements, specifically, the International Convention for the Regulation of Whaling and the Convention for the Conservation of Antarctic Seals.

The purpose of the regime would be to insure that any harvesting of Antarctic marine living resources takes place in accordance with sound conservation principles and practices, specifically:

- To prevent overexploitation of any Antarctic marine living resource;
- To insure that harvesting of any species does not adversely affect populations of dependent or related species;
- To insure that any harvesting of Antarctic marine living resources is conducted in such fashion as to maintain the health of the Antarctic marine ecosystem.

In order to accomplish these purposes, the conservation regime would need to provide for:

- Acquisition of basic scientific data on the nature, interrelationships, and dynamics of the Antarctic marine ecosystem;
- Acquisition of quantitative data on standing stocks of Antarctic marine living resources and detailed data on levels of any harvesting of such stocks;
- Assessment of the status of the stocks of Antarctic marine living resources;
- Identification of stocks to which conservation measures should be applied; and
- Development, implementation, and effective enforcement of specific conservation measures, including catch limitations, to achieve the purposes of the regime.

The functions to be performed by the conservation regime would be of a regular and continuing nature. Their performance would require establishment of an effective organizational structure. This structure would include a plenary body or commission in which representatives of the contracting parties to the regime would decide upon conservation measures and take their actions provided for in the international agreement. This organizational structure would also require standing bodies to:

- Collect, collate, and distribute necessary basic scientific data;
- Collect, collate, and distribute quantitative data on standing stocks and catch data;
- Assess and review the status of stocks of Antarctic marine living resources;
- Prepare for the periodic meetings of the plenary body or commission;
- Monitor the effectiveness of conservation measures;
- Coordinate the activities of the conservation agreement with the activities of the International Whaling Commission and with activities pursuant to the Convention for the Conservation of Antarctic Seals; and
- Establish cooperative relationships with other international bodies which deal with Antarctic marine living resources.

On the basis of the comments and suggestions we are receiving in our discussions with the public, with the Congress, and among the federal agencies, we will be defining detailed positions for the Canberra meeting. Commitment to an ecosystem approach and the establishment of a workable system for effective conservation lies at the heart of our approach to the issue. The negotiations in Canberra will be complex and difficult, but the shared emphasis demonstrated at the London consultative meeting upon maintenance of the Antarctic marine ecosystem and the need to conclude a conservation regime give rise to cautious optimism.

An important issue with regard to satisfactory resolution of the resource issues—living as well as nonliving—is accommodating the juridical positions of claimants and nonclaimants. A general accommodation of the issue of national sovereignty is reflected in the Antarctic Treaty. The U.S. position under the treaty is that we do not assert or recognize claims to territorial sovereignty in Antarctica. Since the treaty does not address resource issues, the prospect of resource activity raises this question again in direct fashion. We believe solutions are possible. They will require hard work and imaginative thinking on the part of all participants.

Other Developments

Seals. With respect to other Antarctic developments, the United States in December of 1976 ratified the Convention for the Conservation of Antarctic Seals. We were the fifth country to do so. Seven ratifications are necessary to bring the convention into force. We

made several diplomatic approaches last year to the other signatories urging their ratification of the convention. I am pleased to say that Belgium and the Soviet Union have both just recently ratified the convention and are expected to deposit their instruments of ratification shortly. The convention will become effective 30 days from the deposit of the seventh ratification.

Fauna and Flora. The Department has presented legislation to both Houses of Congress, S. 1691 and H. 7749, to enable the U.S. Government to approve the measures, agreed upon by the Antarctic Treaty consultative parties in 1964, for the conservation of Antarctic fauna and flora. Hearings were held before the appropriate committees of the House last fall, and the bill is expected to be reported out shortly. No action, however, has yet been taken in the Senate, although we understand the Senate Committee on Commerce, Science, and Transportation intends to hold hearings.

I want to urge the passage of this legislation by the current session of Congress in order that the United States can approve the agreed measures before the tenth consultative meeting in Washington in 1979. Our early approval would permit us to suggest to Japan and Australia, who together with us are the last consultative parties yet to take action, that they make every effort to do so. We should seek to make the agreed measures effective before the tenth meeting.

Criminal Legislation. Another matter before the Congress is that of criminal legislation for Antarctica. Since few of our criminal laws extend beyond the geographical limits of the United States, a draft bill to extend U.S. jurisdiction to certain criminal cases arising in the Antarctic has been submitted by the Department to each of the last three Congresses. The current submission coincided with a similar congressional bill, which the Department supports. Hearings on that bill, H. 6148, were held in the House last fall. No action has been taken by the Senate. Rapid passage of appropriate legislation is, in our view, essential.

Although this hearing is largely devoted to the question of resources and my statement is, therefore, primarily addressed to those questions, I would not wish to leave the impression with this committee that resource concerns predominate in our consideration of Antarctic policy. An overriding continuing objective of our Antarctic policy is to insure maintenance of the

Deep Seabed Mining Legislation

by Elliot L. Richardson

Deep seabed mining is probably the key to determining whether or not a comprehensive law of the sea agreement can be negotiated that will serve the national interests of the United States. With regard to deep seabed mining, the last session of the Law of the Sea Conference was distressing from both a procedural and substantive point of view. If such processes and results are repeated at the session commencing March 28, 1978, in Geneva, the conference will almost surely fail. The tragedy is that conference failure would most hurt developing nations for whom agreed rules of international law provide the most secure protection of their ocean interests.

I should add that there is an increasing awareness among conference participants of the need to change substantially the deep seabed portion of the Informal Composite Negotiating Text (ICNT). This was evident in consultations last November and December which culminated in a meeting of some 90 representatives convened by conference President [H. Shirley] Amerasinghe [of Sri Lanka]. The changes needed to the ICNT on deep seabed mining will be a principal subject of discussion at the intersessional meeting we will attend in New York February 6-17.

After the last Law of the Sea session, I announced that I would recommend to the President that the United States thoroughly review its ocean interests in light of the procedures employed and the substantive results of that session. As part of that review, which is still under way, we are evaluating various alternatives available to achieve our ocean objec-

tives. Having been identified as the most controversial subject in the ICNT, the regime for deep seabed mining figures prominently in our consideration.

Administration Support

Since my last appearance before members of this committee, the President has decided to support congressional efforts to develop deep seabed mining legislation consistent with our substantive position. The decision by the President to support interim deep seabed mining legislation is a shift from the Administration's prior disinclination to lend its support. There are many reasons for this change.

First, we are aware that legislation will be needed with or without a successful law of the sea treaty. After a convention is concluded, several years will undoubtedly pass before the convention becomes effective. The length of time involved will depend upon what the convention requires regarding the number of states that must ratify the convention prior to its final entry into force and on whether or not it provides for provisional entry into force of the deep seabed mining regime.

Second, the Administration believes that the orderly development of deep seabed mining should not only be continued but also be encouraged.

Third, we believe that interim domestic legislation based on the elements in the Administration's position will not, as is often charged, negatively affect the prospects for reaching agreement at the Law of the Sea Conference. On the other hand, some concern has been expressed in the Congress and the executive branch that

Administration opposition to deep seabed mining legislation could be understood as a total reliance on the Law of the Sea Conference for achievement of our seabed objectives. In this regard, if efforts to achieve a comprehensive agreement on the oceans are not now successful, we should at least try to act in concert with nations having interests similar to our own. By taking a leadership role and by enacting legislation which includes reciprocating states provision, we will be better prepared if the conference does not result in a treaty.

Among the principal elements of the Administration's position are that legislation:

- Should be transitional pending international agreement on a regime for the deep seabed;
- Should proceed on the legal basis that, notwithstanding future agreement on an international regulatory regime, deep seabed mining is a freedom of the high seas;
- Should provide for environmental protection, sound management, safety of life and property at sea, and effective law enforcement;
- Should provide for the establishment of an international revenue sharing fund prior to the issuance of commercial recovery permits;
- Should encourage enactment of deep seabed mining legislation by other nations patterned on our example through the mechanism of reciprocal state recognition of rights;
- Should require our permitted mining or processing vessels to fly flag either of the United States or that of a reciprocating state;
- Should not contain investment guarantees against financial losses as a consequence of future federal action that is, ratification of an international treaty;
- Should not authorize licenses or permits for specific mine sites that could be misinterpreted as an assertion of sovereignty over an area of the seabed;
- Should not require processing plants to be located in the United States; and
- Should not place any flag requirement on deep seabed ore transporting vessels.

Investment Guarantees

Perhaps the most controversial issue in H.R. 3350 involves investment guarantees. Proponents of such guarantees argue that licensees or permittees should be compensated for investment losses that may be caused by the ent-

Antarctic Treaty system and the preservation of the Antarctic environment and ecosystem.

Our concern, and that of our Antarctic Treaty consultative partners, manifests itself in the study of questions such as the establishment of sites of special scientific interest, examination of the environmental problems which may be caused by increasing tourism, and problems relating to possible consequences of mineral resource explora-

tion and exploitation. Meanwhile the scientists of a number of the treaty nations are continuing their year-round work in Antarctica in a spirit of cooperation that has always been the hallmark of the Antarctic Treaty. □

Statement before the Subcommittee on Arms Control, Oceans, and International Environment of the Senate Committee on Foreign Relations on Feb. 6, 1978. Ms. Mink is Assistant Secretary for Oceans and International Environmental and Scientific Affairs.

force of an international agreement concerning deep seabed mining.

The Administration opposes investment guarantees as a matter of principle. Our view is that the Federal Government should not provide the precedent of promising in advance to compensate certain segments of the private sector for financial losses that may be occasioned by possible federal actions taken to advance the national interest. Moreover, our negotiating position is to obtain a seabeds regime that does not, on balance, disadvantage U.S. miners as compared to their position under domestic legislation. No longer the negotiating process, the more firm the United States inevitably must be on the recognition of existing rights in the treaty.

The most obvious point is that if there is no treaty, there is no problem. Many of those who are most ardent in their support of investment guarantees argue with equal fervor that no treaty is possible. It should be recalled that not only must the treaty be agreed to by the U.S. delegation to the conference, but also it must receive the advice and consent of the Senate and the signature of the President. The treaty would still not enter into force until a required number of other nations have deposited instruments of ratification indicating acceptance.

For investment guarantees to be necessary, the treaty must fail to provide for terms, conditions, and restrictions for licensees and permittees as favorable as those provided in our domestic legislation. Finally, the treaty would have to prejudice the rights of licensees and permittees at a later date and in a manner meriting financial compensation. We do not believe that the sequence of events just described warrant the conclusion that an investment guarantee is necessary, even if it were desirable.

International Fund

The legal basis for establishing an interim mining regime stems from the high seas character of the deep seabed. The principles of high seas freedoms and the common heritage of mankind, often posed as contradictions, are in fact, incompatible. Both principles stem from the fundamental premise that sovereignty over the area cannot be claimed by an individual nation. Accordingly, both principles require that we guard against such assertions. So long as our legislation is restricted to persons and vessels subject to U.S. jurisdiction and no exclusive rights to deep seabed areas are conferred, the licensing arrangements are

compatible with existing international law.

The Presidential decision to support deep seabed mining legislation included the establishment in the legislation of an international revenue sharing fund. Such a fund is an essential feature of Administration support for legislation and provision for its establishment must be an integral part of any legislation passed. We will be prepared, subsequent to the enactment of legislation, to submit legislative recommendations on the contributions required to the fund. But we would oppose the issuance of commercial recovery permits before the fund is established. We believe such a fund would demonstrate U.S. support for the principle, now included in the ICNT, that commercial activities in the deep seabed should benefit all nations when the treaty enters into force.

Environmental Concerns

A principal concern reflected in the Administration's attitude toward deep seabed mining legislation is that the environment must be protected. Indeed, environmental consequences must be one of the foremost factors to be considered in the application for and issuance of a license or permit. The Administration supports the requirement that, prior to issuing a license or permit, the Secretary of the lead agency should determine specifically that there will be no significant effect on the quality of the environment.

This determination would be based on information gathered in an environmental impact statement prepared in accordance with the National Environmental Policy Act and other provisions in the legislation. The Administration's position is that there should be adequate monitoring of the environmental consequences of all deep seabed mining activities and that regulations be continually revised and applied to ongoing mining operations as environmental information becomes available.

Reciprocating State Concept

The reciprocating state concept is one of the unique features of the deep seabed mining bills before the Congress. The idea of reciprocity grows out of the high seas character of deep seabed mining. It is important to understand that neither the United States nor any other nation can appropriate high seas areas. The deep seabed is, by definition, a high seas area.

Hence, the United States must rely

upon its jurisdiction over the person or vessel involved to regulate deep seabed mining activities. Since we do not own the area, we have no legal basis to confer exclusive rights on our licensees or permittees that would be valid against persons not subject to our jurisdiction. To preclude any implication that we are appropriating high seas areas, we avoid the allocation of specific areas of the high seas seabed in licenses or permits.

Instead, the procedure we support is for applicants to file a work plan which includes details about the proposed location of the work area. Assuming other requirements are met, the administering agency would only approve nonconflicting work plans. The reciprocating state giving the first notice of work plan submissions would be entitled to rely upon other reciprocating states not to approve work plans which conflict.

The reciprocating state concept is also useful in insuring the necessary enforcement and environmental and other monitoring functions are carried out aboard vessels or with respect to crews of either the licensee or permittee's state or that of reciprocating states. By setting standards for designating reciprocating states, we should insure that deep seabed mining occurs with approximately the same concerns for the environment and the safety of life and property at sea.

Supply of Minerals

There has lately been much discussion of the effects of the legislation on the supply of critical minerals and on the economies of current suppliers. In our view, creating the conditions that would allow seabed mining to be viable would serve the U.S. national interest by assuring access to an alternative minerals source. We are dependent upon imported supplies for almost all our nickel and all of our cobalt and manganese. The establishment of a seabed mining industry in the United States would diversify and increase our sources of supply for these metals. Therefore, it is in our interest to provide a framework fostering our long-term interests by establishing the legal and administrative basis for seabed mining through this legislation and, hopefully later, through a law of the sea convention.

Some have argued that we should not only develop seabed mining to provide a broader resource base in the long run but that we also should artificially facilitate the development of seabed mining in the short and medium term in order to protect ourselves from the

UNITED NATIONS: Southern Rhodesia

by Andrew Young

Under the Administration of President Carter, Rhodesia has been one of the priority issues of U.S. foreign policy. Together with the United Kingdom and in cooperation with the front-line states [Angola, Botswana, Mozambique, Tanzania, and Zambia], the United States has worked extensively with the nationalist leaders in an effort to reconcile differences and to bring about a peaceful transition to majority rule.

We participated in the development of the Anglo-American proposals for Rhodesia,¹ because we felt it essential to establish a coherent plan based on the following goals.

First, the initiation of an irreversible process leading to majority rule in an independent Zimbabwe.

Second, the creation of a neutral political process which would allow all political factions in Zimbabwe to compete fairly for political leadership through elections which truly reflect the will of the majority.

Third, an end to hostilities, followed by the maintenance of stability, law, and order during the transition period to insure the fairness of the process and thus its durability.

Fourth, agreement on an independence constitution that provides for a democratically elected government, the abolition of discrimination, and the

protection of individual human rights, including the right of members of the minority as well as the majority.

Fifth, having presented a proposal based on these goals to the Security Council, the United States, together with the United Kingdom, undertook a series of discussions and negotiations with all of the principal parties concerned. We have been pursuing these efforts vigorously. In particular, we want to engage the Patriotic Front as well as the nationalist parties inside Rhodesia in the negotiating process.

We sought—and continue to seek—the advice and support of the concerned African states, whose views we took into account in formulating the proposals initially. And we met with the Smith regime [Ian Smith, Prime Minister of the white regime in Rhodesia] in an effort to bring them into the negotiations within the framework of our proposals. As President Carter confirmed in his March 9 press conference [see p. 19], we remain firmly convinced that the Anglo-American plan is the best basis for a peaceful, just, and prompt transition to an independent Zimbabwe.

An internal agreement has now been announced in Salisbury. A new point has been reached in the search for a settlement and we are all understandably caught up in measuring details against the standards we have set. But we should not let legitimate concern with detail obscure the enormous stakes the

As a matter of policy, we seek orderly progress toward the development of a deep seabed mining capability for the United States. We want the legal regime applicable to these activities to be as internationally acceptable as possible. At the same time, we want to give the Law of the Sea Conference every chance to succeed. But if agreement is not forthcoming or negotiations are unduly prolonged, we are prepared to support domestic legislation consistent with our substantive policy goals as the basis for mining by our citizens. □

Statement before the Subcommittees on International Organizations and International Economic Policy and Trade of the House Committee on International Relations on Jan. 23, 1978; Ambassador Richardson is Special Representative of the President for the Law of the Sea Conference.

peoples of the region and the entire international community have in Rhodesia.

• This is not a time for attempting to advance personal self-interest or posturing before the world.

• This is not a time for Rhodesians—white or black—to think only of defending their partisan interests.

• This is not a time for outsiders to be considering what advantages they can extract in the process of negotiation.

• This is not a time for those who have worked hard to bring about a fair settlement to lay down our burdens and turn our backs.

• Most important of all we must not resign ourselves that the birth of a new nation must be bloody and violent. We see no reason that we cannot find a peaceful solution to the differences which still exist among the parties.

At this crucial juncture in the history of Africa and the world we must take a longer perspective, looking to the future and recognizing the progress that has been made while holding up for the future the highest standards which will insure that Zimbabwe will enter the community of free and independent nations promptly and peacefully.

Salisbury Agreement

We must examine the so-called internal settlement dispassionately. I am the first to recognize that anything which Mr. Smith has negotiated merits the most careful scrutiny. But, I am also willing to credit good faith to the participating nationalist leaders. They, as much as the other nationalist leaders of Zimbabwe, want freedom and independence for their country and full political equality for all the people of the country. It is fair, then, to ask what they have achieved in Salisbury. Compared with the kinds of settlement proposals which Smith has entertained in the past, the Salisbury agreement marks some progress.

• The nationalist leaders have gotten Mr. Smith to agree to the principle of universal adult suffrage.

• Smith's signature has been obtained on a commitment eventually to step down. There is still no ironclad assurance, however, that he will do so.

• Finally, there is recognition that during the transition period some sharing of power must take place among the participating groups.

That being said, there is much in the Salisbury agreement which raises questions regarding the ability to withstand

possibility that land-based producers of nickel, cobalt, or manganese might form cartels—along the lines of the Organization of Petroleum Exporting Countries—that would artificially restrict supplies and raise prices. We believe, however, that the danger of cartelization has been overdrawn because the market circumstances are quite different.

Some governments have questioned the seriousness of our support for domestic deep seabed mining legislation. They would be mistaken to underestimate our resolve to establish a timely legal regime governing deep seabed mining. As I have repeatedly said, the United States much prefers a negotiated, multilateral regime. But we must have alternatives for pursuing our oceans interests.

political pressures which have built over the past few years.

Perhaps more importantly we must consider whether the agreement announced in Salisbury takes sufficiently into account the enormous difficulty of managing the transition period. This critical watershed must be handled in such a way that the violence of the present struggle for liberation can be transformed into an irreversible political process which will result in the approval by all the people of Rhodesia of their own form of government and the cessation of their own leaders.

Anglo-American Proposals

In his March 9 press conference, President Carter described the Salisbury proposal as not adequate. I believe I can demonstrate its inadequacies by comparing the Salisbury agreement with the principles of the Anglo-American proposals.

First and foremost, the Anglo-American plan is based on the principle of participation by all factions. The current settlement does not include all the nationalist leaders. Thus it threatens to further divide rather than unify the people of Zimbabwe and threatens to prolong violence rather than end it.

Second, the Anglo-American proposals recognize that transitional political institutions must not be subject to control by the existing illegal regime or by one of the parties to the conflict. The Salisbury plan would introduce a transitional arrangement of shared responsibility subject to the rule of unanimity and the ultimate authority of the present Parliament.

This would allow Smith to hold effective power and to wield a veto. For, as he himself said in an interview in the Times of London on March 2, whether the people liked it or not, the present Parliament was the sovereign body under the existing constitution and only a revolution could change that. That is what Smith said. He also said he was the Prime Minister and nobody in the world could do anything about it. In other words, although others may be associated with him, Smith and his largely white Parliament are still in control of the processes of government, including security functions, the civil service, and the passage of legislation.

Third, free and fair elections must be assured in which all elements of the population and all Rhodesian political actions would participate equally. The Anglo-American proposal addressed this principle by proposing that the British Resident Commissioner would help in-

sure that result, as would the presence of impartial observers.

Under the Salisbury agreement there appears to be no provision for international outside participation in these elections which would insure their fairness or impartiality.

Fourth, in order to insure the fairness and irreversibility of a transition process, it is essential to maintain law and order in Zimbabwe. The record of civil strife over the past dozen years precludes reliance on the Rhodesian Army for this essential purpose. Consequently, it was suggested that a U.N. peacekeeping force assist the Resident Commissioner and the police force in maintaining tranquility during the transitional period and in insuring the impartiality of the political process.

The Salisbury agreement would rely on the existing Rhodesian Army, absorbing into it those guerrillas capable of passing a screening process. We cannot but conclude that such a provision fails to take into account the history of bloodshed which makes the Rhodesian Army, as now constituted, an unsatisfactory guarantor of the rights of all Zimbabweans, black and white.

Fifth, provision must be made in Rhodesia for a constitutional system which protects the rights of all. The Anglo-American proposal provides for an independent judiciary and an entrenched bill of rights. The bill of rights is protected against change to reassure all that their freedom will not be overrun. But the remainder of the constitution can be changed by the process of law.

The constitution outlined in Salisbury also envisages an independent judiciary and the protection of certain rights. However, for a period of approximately 10 years changes in all entrenched aspects of the constitution could come about only with the concurrence of all the black members and six of the white members of Parliament. Indeed, there is no guarantee that this system will not carry over after the initial 10-year period. This limitation of the ability of the new government to bring about necessary change and meet the aspirations of the majority appear inconsistent with the full exercise of sovereignty by an independent government representing all the people of Zimbabwe.

A Catalyst for Renewed Effort

I have gone into some detail in describing what we think should go into a viable plan for a transition. But I do not believe, however, that our debate should begin and end on this theme.

My government hopes that these Council meetings can serve as a catalyst to a renewed effort to bring the nationalist forces together in a new attempt to achieve a settlement which includes all and which is based on the principles of the Anglo-American plan. We are prepared to join with the United Kingdom, all the parties, and the concerned African states in a new effort to make progress and remedy the inadequacies of the Salisbury settlement plans.

We have no illusion that this will be a simple task, particularly in light of the evidence that the Rhodesian Armed Forces continue the arrogant practice of raids across the borders of neighboring countries. The recent Rhodesian ambush of a patrol of the Botswanan Army well within the borders of Botswana and the Rhodesian raid into Zambia are the latest examples of the behavior of the Smith regime which must be halted if we are to believe that any kind of agreement involving him is feasible.

Success in a new effort would also require the support of this Council and of the African states most directly involved. We would need a consensus of responsible opinion that this is not the time for actions in the United Nations or elsewhere which would further polarize the situation but the time for keeping all channels of communication open. Our goal would be to build on what has gone before, to produce a just and lasting settlement for Zimbabwe whose people would at last know the blessings of independence, freedom, and peace.

TEXT OF RESOLUTION²

The Security Council,

Recalling its resolutions on the question of Southern Rhodesia and in particular resolution 415 (1977) of 29 September 1977,

Reaffirming that the continued existence of the illegal regime in Southern Rhodesia is a source of insecurity and instability in the region and constitutes a serious threat to international peace and security,

Gravely concerned over the continued military operations by the illegal regime, including its acts of aggression against neighbouring independent States,

Indignant at the continued executions of freedom fighters by the illegal regime,

Considering the need for urgent measures to terminate the illegal regime and establish a Government based on majority rule,

1. *Condemns* all attempts and manoeuvres by the illegal regime aimed at the retention of power by a racist minority and at preventing the achievement of independence by Zimbabwe;

2. *Declares* as illegal and unacceptable any

internal settlement under the auspices of the illegal regime and calls upon all States not to accord any recognition to such settlement.

3. *Further declares* that the speedy termination of the illegal regime and the replacement of its military and police forces is the first prerequisite for the restoration of legality in Southern Rhodesia so that arrangements may be made for a peaceful and democratic transition to genuine majority rule and independence in 1978;

4. *Declares* also that such arrangements as envisaged in paragraph 3 include the holding of free and fair elections on the basis of universal adult suffrage under United Nations supervision;

5. *Calls upon* the United Kingdom of Great Britain and Northern Ireland to take all measures necessary to bring to an end the illegal racist minority regime in Southern Rhodesia and to effect the genuine decolonization of the territory in accordance with General Assembly resolution 1514 (XV) and other United Nations resolutions;

6. *Considers* that, with the assistance of the Secretary-General of the United Nations, the United Kingdom as the administering Power should enter into immediate consultations with the parties concerned in order to attain the objectives of genuine decolonization of the territory through the implementation of paragraphs 3, 4 and 5 above;

7. *Requests* the Secretary-General to report, not later than 15 April 1978, on the results of the implementation of this resolution. □

Statement in the U.N. Security Council on Mar. 14, 1978 (text from USUN press release 10 of Mar. 14); Ambassador Young is U.S. Permanent Representative to the United Nations.

¹ For text of Anglo-American proposals, see BULLETIN of Oct. 3, 1977, p. 417.

² U.N. doc. S/RES/423 (1978); adopted by the Council on Mar. 14 by a vote of 10 to 0, with 5 abstentions (U.S.).

Report on U.N. Reform and Restructuring

The President on March 2 sent to the Speaker of the House of Representatives [Thomas P. O'Neill, Jr.] and to the chairman of the Committee on Foreign Relations of the Senate [John J. Sparkman] a report entitled "Reform and Restructuring of the United Nations System."¹ In the report, the President called the United Nations an essential instrument of world peace and U.S. diplomacy but proposed a number of concrete steps for the U.S. Government to pursue in order to make the U.N. system more effective in the future.

Although the President sends annual reports to Congress on U.S. activities in the United Nations, this is the first report concerning reform of the U.N. organization itself and, accordingly, contains the Administration's recommendations for realistically strengthening the U.N. organization in a number of areas. The report generally indicates the Administration's commitment to giving a higher priority to resolving issues within the U.N. framework and its belief that reforms in a number of areas are urgently needed. A basic premise of the report is that under present circumstances, reform by amending the U.N. Charter is improbable, and it is, therefore, more pro-

ductive to seek institutional and administrative reforms within the present charter framework.

The President's report (accompanied by a longer analysis by the Secretary of State) is organized around seven areas of concern to the Special Committee on the Charter of the United Nations and on Strengthening the Role of the Organization. These are:

- Peace, security, and strengthening international law;
- Decisionmaking processes in the United Nations;
- Human rights;
- Financing the United Nations;
- Achieving greater efficiency in the U.N. system;
- Improving U.S. participation in the work of the organizations and programs of the U.N. system; and
- The Secretariat of the U.N. system.

Among the major recommendations in the President's report are the following:

- To press for strengthening of human rights procedures in the United Nations;
- To assist, upon request from the Secretary General, with airlift of

troops and equipment required for establishing a U.N. peacekeeping force authorized by the Security Council;

- To offer factual information from aircraft reconnaissance technology to the Security Council when the parties to a dispute agree and under Security Council authorization;

- To explore the possibility of establishing a special peacekeeping fund on the order of \$100 million to help cover initial costs of operations authorized by the Security Council;

- To work for better coordination of the U.N. technical assistance activities by making the U.N. Development Program (UNDP) the major channel for U.S. voluntary contributions and helping to strengthen the UNDP's programing and coordinating role;

- To hold periodic meetings of the Security Council at the Foreign Minister level as part of a general effort to strengthen the role of the Security Council in the peaceful settlement of disputes;

- To foster greater use of the International Court of Justice by a variety of means, including reevaluating existing disputes to see whether they are appropriate to submit to the Court;

- To give substantially greater weight in our national policy to decisions arrived at by consensus in United Nations bodies;

- To support recent General Assembly plans to restructure and reform the economic and social functions of the United Nations; and

- To explore new ways of meeting the U.N. financial deficit and explore the possibility of supplementing U.N. finances from sources other than contributions of member governments.

On the subject of weighted voting the President's report states, there is no prospect for the adoption of a generally applicable weighted-voting system in the General Assembly. The report suggests that instead of trying to work for weighted voting, it would be better to employ our efforts toward defining voluntary but common standards to curtail the use of the veto in the Security Council and reduce the necessity of invoking it.

The report notes that if we are to develop adequate machinery for management of the world's common problems, a central concern of our foreign policy in the remaining years of the century must be the building of a more effective U.N. system. To that end, this Administration is committed to working for a stronger and more effective United Nations.

WESTERN HEMISPHERE:

Panama Canal

Neutrality Treaty Ratified

President Carter

have a brief statement to make. The people of our nation owe a lot of thanks to the Members of the U.S. Senate for their courageous action taken today in voting for the Panama Canal neutrality treaty.¹

I add my sincere personal congratulations to the entire Senate and especially to the three men who have led their colleagues with bipartisan statesmanship and wisdom through

STATEMENT BY SECRETARY VANCE

I am very gratified at the outcome of this first crucial vote on the Panama Canal treaties. Passage this afternoon of the neutrality treaty, after careful and deliberate consideration by the U.S. Senate, is in this country's highest national interest. While there is more work to do and another treaty to consider, the Administration congratulates the Senate and particularly Majority Leader Robert Byrd, Minority Leader Howard Baker, and chairman of the Senate Foreign Relations Committee John Sparkman on this major step forward. We know that the Government and people of Panama and other nations around the world will welcome this outcome.

Made on Mar. 16, 1978 (text from press release 129 of Mar. 29).

is long debate—Senator Robert Byrd, the majority leader; Senator Howard Baker, the minority leader; and Senator John Sparkman, chairman

of the Senate Foreign Relations Committee.

As a nation, we also owe our gratitude and admiration to former President Ford and to Democratic and Republican leaders who have served in previous Administrations who, by giving the treaties their support, gave us the opportunity to judge the treaties on their merits and not on a partisan, political basis.

This vote today is, of course, only the first step in the process of ratification, but I am confident that the Senate will show the same courage and foresight when it considers the second treaty. This is a promising step toward a new era in our relationships with Panama and with all of Latin America.

General Torrijos and the Panamanian people have been patient and forbearing during the negotiations and during the Senate debate. They've earned the confidence and respect of the American people. Their actions during the last few months is proof of their willingness to form a partnership with us, to join in cooperation rather than confrontation.

It's been more than 14 years since negotiations began with Panama, and we've been through many months of discussion and debate about the two treaties that the Senate has considered. This has been a long debate, but all of us have learned from it.

The basic purpose and the underlying principles of the treaty have been affirmed and strengthened by the actions of the Senate. Under the treaty as approved, the United States and Panama will have joint responsibility to assure that the canal after the year 2000 will remain neutral and secure, open and accessible.

Text from Weekly Compilation of Presidential Documents of Mar. 6, 1978, p. 449.

¹ Copies of the report may be obtained from the Correspondence Management Division, Bureau of Public Affairs, Department of State, Washington, D.C. 20520. For text of identical letters transmitting the report to Speaker O'Neill and Senator Sparkman, see Weekly Compilation of Presidential Documents of Mar. 6, 1978.

The United States can take whatever actions are necessary to make sure the canal remains open and safe. The vessels of war and auxiliary vessels of the United States and Panama are assured of transit through the canal as quickly as possible and can go to the head of the line in time of emergency or need.

While the right of the United States and Panama to act against any threat to the regime of neutrality is assured by this treaty, it does not mean that there is a right of intervention, nor do we want a right of intervention by the United States in the internal affairs of Panama.

But perhaps the most encouraging lesson of all in these last long months is that in a full and open debate, even in a very controversial and difficult issue, in our foreign policy objectives, we can still reach the decisions that are in our nation's long-term, best interests.

I congratulate again the Senators for their decision and give them, on behalf of the nation, my sincere thanks. □

Remarks made on Mar. 16, 1978 (text from Weekly Compilation of Presidential Documents of Mar. 20, 1978).

¹ By a vote of 68 to 32, the Senate gave its advice and consent on Mar. 16, 1978, to the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal.

TREATIES:

Current Actions

MULTILATERAL

Antarctica

Measures relating to the furtherance of the principles and objectives of the Antarctic treaty. Adopted at Santiago November 18, 1966, at the Fourth Consultative Meeting. Entered into force October 30, 1968, for IV-20 through IV-28 in English. TIAS 6668.

Notification of approval: Belgium, January 26, 1978, for Recommendations IV-18, IV-19.

Recommendations relating to the furtherance of the principles and objectives of the Antarctic treaty. Adopted at Tokyo October 30, 1970, at the Sixth Consultative Meeting. Entered into force October 10, 1973, for Recommendations VI-1-VI-7, VI-11-VI-15. TIAS 7796.

Notification of approval: Belgium, January 26, 1978, for Recommendations VI-8, VI-10.

In the context of consultations with Congress, the United States will proceed to discuss these proposals with their members of the United Nations and with Secretary General Waldheim and to seek their support.

The presentation of this report was pursuant to Section 503 of the Foreign Relations Authorization Act, FY 1978 (Public Law 95-105). □

Aviation

Convention for the suppression of unlawful seizure of aircraft. Done at The Hague December 16, 1970. Entered into force October 14, 1971. TIAS 7192.

Ratification deposited: Senegal, February 3, 1978.

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971. Entered into force January 26, 1973. TIAS 7570.

Accession deposited: Senegal, February 3, 1978.

Protocol on the authentic quadrilingual text of the convention on international civil aviation (Chicago, 1944) (TIAS 1591), with annex. Done at Montreal September 30, 1977.¹

Signature, without reservation as to acceptance: Italy, March 13, 1978.

Consular Relations

Vienna convention on consular relations. Done at Vienna April 24, 1963. Entered into force March 19, 1967; for the United States December 24, 1969. TIAS 6820.

Ratification deposited: Peru, February 17, 1978.

Cultural Property

Convention for the protection of cultural property in the event of armed conflict and regulations of execution. Done at The Hague May 14, 1954. Entered into force August 7, 1956.²

Accession deposited: Oman, October 26, 1977.

Customs

Customs convention on the international transport of goods under cover of TIR carnets, with annexes and protocol of signature. Done at Geneva January 15, 1959. Entered into force January 7, 1960; March 3, 1969, for the United States. TIAS 6633.

Accession deposited: Malta, January 31, 1978.

Customs convention on the international transport of goods under cover of TIR carnets, with annexes. Done at Geneva November 14, 1975. Entered into force March 20, 1978.²

Ratifications deposited: Finland, February 27, 1978; Switzerland, February 3, 1978.

International convention on mutual administrative assistance for the prevention, investigation, and repression of customs offenses, with annexes. Done at Nairobi June 9, 1977. Open for signature until June 30, 1978. Enters into force 3 months after five States Members of the Customs Cooperation Council have signed without reservation of ratification or have deposited their instruments of ratification or accession.

Energy

Memorandum of understanding concerning cooperative information exchange relating to the development of solar heating and cooling systems in buildings. Formulated at Odeillo, France, October 1-4, 1974. En-

tered into force July 1, 1975. TIAS 8202.

Signature: Ministerio de Industria y Energia, Spain, February 6, 1978.

Expositions

Convention relating to international exhibitions. Done at Paris November 22, 1928. Entered into force January 17, 1931; for the United States June 24, 1968. TIAS 6548.

Notification of denunciation deposited: Tanzania, August 19, 1977; effective August 19, 1978.

Finance

Agreement establishing the International Fund for Agricultural Development. Done at Rome June 13, 1976. Entered into force November 30, 1977.

Accession deposited: Guinea-Bissau, January 25, 1978.

Fisheries

International convention for the high seas fisheries of the North Pacific Ocean, with annex and protocol. Done at Tokyo May 9, 1952. Entered into force June 12, 1953. TIAS 2786.

Withdrawal of notice of termination: United States, February 6, 1978.

International convention for the conservation of Atlantic tunas. Done at Rio de Janeiro May 14, 1966. Entered into force March 21, 1969. TIAS 6767.

Adherence deposited: Benin, January 9, 1978.

Human Rights

International covenant on civil and political rights. Done at New York December 16, 1966. Entered into force March 23, 1976.²

Ratification deposited: Senegal, February 13, 1978.

Optional protocol to the international covenant on civil and political rights. Done at New York December 16, 1966. Entered into force March 23, 1976.²

Ratification deposited: Senegal, February 13, 1978.

International covenant on economic, social, and cultural rights. Done at New York December 16, 1966. Entered into force January 3, 1976.²

Ratification deposited: Senegal, February 13, 1978.

Convention on psychotropic substances. Done at Vienna February 21, 1971. Entered into force August 16, 1976.²

Ratification deposited: Argentina, February 16, 1978.

Patents

Patent cooperation treaty, with regulations. Done at Washington June 19, 1970. Entered into force January 24, 1978 (except for Chapter II); Chapter II entered into force March 29, 1978.² TIAS 8733.

Ratifications deposited: Luxembourg (except for Chapter II), January 31, 1978; Sweden (with declaration), February 17, 1978.

Phonograms

Convention for the protection of producer phonograms against unauthorized duplication of their phonograms. Done at Geneva October 29, 1971. Entered into force April 1973; for the United States March 10, 1978. TIAS 7808.

Notification from World Intellectual Property Organization that ratification deposited: Israel, February 1, 1978.

Postal

Constitution of the Universal Postal Union with final protocol, signed at Vienna January 10, 1964 (TIAS 5881), as amended by additional protocol, signed at Tokyo November 14, 1969. Entered into force January 1, 1971, except for article V, which entered into force January 1, 1971. TIAS 7150.

Accession deposited: Grenada, November 1976.

Denunciation: Portugal on behalf of the Portuguese Provinces in Asia and Oceania December 28, 1977; effective December 28, 1978. Membership of the Portuguese Republic in the Union will henceforth consist of "the whole of National Portugal." Second additional protocol to the constitution of the Universal Postal Union of July 1964, general regulations with final protocol and annex, and the universal postal convention with final protocol and detailed regulations. Done at Lausanne July 5, 1974. Entered into force January 1, 1976. TIAS 8231.

Accession deposited: Grenada, November 1976.

Ratification deposited: Morocco, November 23, 1977.

Money orders and postal travelers' cheques agreement, with detailed regulations. Done at Lausanne July 5, 1974. Entered into force January 1, 1976. TIAS 8232.

Ratification deposited: Morocco, November 23, 1977.

Racial Discrimination

International convention on the elimination of all forms of racial discrimination. Done at New York December 21, 1965. Entered into force January 4, 1969.²

Accessions deposited: Nicaragua, February 15, 1978; Seychelles, March 7, 1978.

Red Cross

Geneva convention for the amelioration of the condition of the wounded and sick in armed forces in the field. Done at Geneva August 12, 1949. Entered into force October 2, 1950; for the United States February 1956. TIAS 3362.

Notification of succession: Djibouti, January 26, 1978.

Refugees

Convention relating to the status of refugees with schedule and annex. Signed at Geneva July 28, 1951. Entered into force April 22, 1954.²

Accession deposited: Dominican Republic, January 4, 1978.

ification of succession: Lesotho, February 10, 1978.

ol relating to the status of refugees. Done at New York January 31, 1967. Entered into force October 4, 1967; for the United States November 1, 1968. TIAS 7.

essions deposited: Dominican Republic, January 4, 1978; Lesotho, February 10, 1978.

Antarctic

ention for the conservation of Antarctic seas, with annex and final act. Done at London June 1, 1972. Entered into force March 11, 1978.

laimed by the President: February 24, 1978.

ention on registration of objects launched into outer space. Done at New York January 1975. Entered into force September 15, 1975. TIAS 8480.

Ratification deposited: Switzerland, February 15, 1978.

Accession deposited: Yugoslavia, February 1, 1978.

ational sugar agreement, 1977, with annexes. Done at Geneva October 7, 1977. Entered into force provisionally January 1, 1978.

Ratifications deposited: Jamaica, February 5, 1978; Madagascar, January 30, 1978.

ifications of provisional application deposited: Paraguay, January 24, 1978; Mozambique, January 24, 1978.

Crimes

vention on the prevention and punishment of crimes against internationally protected persons, including diplomatic agents. Done at New York December 14, 1973. Entered into force February 20, 1977. TIAS 8532.

Accession deposited: Iraq, February 28, 1978.

international tin agreement, with annexes. Done at Geneva June 21, 1975. Entered into force June 14, 1977. TIAS 8607.

ification deposited: Netherlands, February 2, 1978.

Trade

Declaration on the provisional accession of Colombia to the General Agreement on Tariffs and Trade. Done at Geneva July 23, 1975. Entered into force January 22, 1976; for the United States May 1, 1976. TIAS 8322.

Acceptance deposited: Cuba, January 6, 1978.

Proces-verbal extending the declaration on the provisional accession of Colombia. Done at Geneva November 12, 1976. Entered into force December 17, 1976; for the United States March 28, 1977. TIAS 8664.

Acceptances deposited: Cuba, January 6, 1978; Netherlands, November 8, 1977.

Proces-verbal extending the declara-

tion on the provisional accession of Tunisia to the GATT. Done at Geneva November 11, 1977. Entered into force December 22, 1977; for the United States January 11, 1978.

Acceptances deposited: Denmark, December 1, 1977; Japan, December 23, 1977; Korea, January 5, 1978; Tunisia, December 22, 1977; United States, January 11, 1978.

Second proces-verbal extending the declaration on the provisional accession of the Philippines to the GATT (TIAS 7839). Done at Geneva November 11, 1977. Entered into force January 24, 1978.

Acceptances deposited: Denmark, December 1, 1977; Japan, December 23, 1977; Korea, January 5, 1978; Philippines, January 24, 1978; United States, January 11, 1978.

Protocol extending the arrangement regarding international trade in textiles of December 20, 1973 (TIAS 7840). Done at Geneva December 14, 1977. Entered into force January 1, 1978, for the countries which accepted it by that date.

Acceptances deposited: Austria, January 12, 1978;³ Brazil, December 30, 1977;⁴ Colombia, December 23, 1977; European Economic Community, December 29, 1977;⁵ Guatemala, December 30, 1977;⁴ India, December 30, 1977; Japan, December 27, 1977; Mexico, December 30, 1977; Pakistan, January 25, 1978; Romania, January 6, 1978; Singapore, January 5, 1978; Sri Lanka, January 4, 1978; Switzerland, December 28, 1977;³ Thailand, December 21, 1977; United Kingdom, December 30, 1977;⁶ United States, December 29, 1977.

Wheat

Wheat trade convention (part of international wheat agreement) 1971. Done at Washington March 29, 1971. Entered into force June 18, 1971, with respect to certain provisions; July 1, 1971, with respect to other provisions. TIAS 7144.

Accession deposited: Iran, January 19, 1978.

Protocol modifying and further extending the wheat trade convention (part of the international wheat agreement) 1971 (TIAS 7144). Done at Washington March 17, 1976. Entered into force June 19, 1976, with respect to certain provisions; July 1, 1976, with respect to other provisions.

Accession deposited: Iran, January 19, 1978.

Ratifications deposited: Argentina, February 22, 1978; Bolivia, February 14, 1978; Israel, February 16, 1978.

Protocol modifying and further extending the food aid convention (part of the international wheat agreement) 1971 (TIAS 7144). Done at Washington March 17, 1976. Entered into force June 19, 1976, with respect to certain provisions; July 1, 1976, with respect to other provisions.

Ratification deposited: Argentina, February 22, 1978.

World Heritage

Convention concerning the protection of the world cultural and natural heritage. Done at Paris November 23, 1972. Entered into force December 17, 1975. TIAS 8226.

Ratifications deposited: Costa Rica, August 23, 1977; India, November 14, 1977; Tanzania, August 2, 1977.

BILATERAL

Afghanistan

Project agreement concerning rural development, with annexes. Signed at Kabul September 18, 1977. Entered into force September 18, 1977.

Project grant agreement concerning agricultural credit, with annexes. Signed at Kabul September 18, 1977. Entered into force September 18, 1977.

Australia

Agreement regarding the management and operation of the Joint Geological and Geophysical Research Station at Alice Springs, Australia. Effected by exchange of notes at Canberra February 28, 1978. Entered into force March 2, 1978.

Bahamas

Agreement relating to U.S. participation in the National Insurance Scheme of the Bahamas, with related note. Effected by exchange of notes at Nassau October 27, 1976, May 6 and September 23, 1977. Entered into force September 23, 1977; effective October 7, 1974.

Bolivia

Treaty on the execution of penal sentences. Signed at La Paz February 10, 1978. Enters into force on the date of exchange of instruments of ratification.

Bulgaria

Agreement on scientific and technological cooperation, with annexes. Signed at Washington February 9, 1978. Entered into force February 9, 1978.

Costa Rica

Agreement relating to the limitation of meat imports from Costa Rica during calendar year 1978. Effected by exchange of notes at Washington December 21 and 30, 1977. Entered into force December 30, 1977; effective January 1, 1978.

Djibouti

Agreement relating to the transfer of agricultural commodities to Djibouti. Signed at Djibouti January 9, 1978. Entered into force January 9, 1978.

Egypt

Loan agreement relating to a commodity import program. Signed at Cairo February 27, 1978. Entered into force February 27, 1978.

El Salvador

Agreement relating to the limitation of meat imports from El Salvador during calendar year 1978. Effected by exchange of notes at Washington December 21, 1977 and January 19, 1978. Entered into force January 19, 1978; effective January 1, 1978.

Indonesia

Agreement amending the agreement of May 17, 1977 (TIAS 8677) for sales of agricultural commodities and the exchange of letters of December 16, 1977, concerning development projects. Effected by exchange of notes at Jakarta February 23, 1978. Entered into force February 23, 1978.

Intergovernmental Maritime Consultative Organization

Agreement relating to a procedure for U.S. income tax reimbursements. Effected by exchange of letters at London May 18 and June 8, 1977. Entered into force June 8, 1977.

Israel

Loan agreement relating to the economic and political stability of Israel, with attachments. Signed at Washington December 5, 1977. Entered into force December 5, 1977.

Agreement concerning a program assistance grant to promote the economic and political stability of Israel. Signed at Washington December 5, 1977. Entered into force December 5, 1977.

Agreement concerning a cash grant to provide necessary foreign exchange to support the economic requirements of Israel. Signed at Washington December 5, 1977. Entered into force December 5, 1977.

Jordan

Project loan agreement relating to the Maqarin Dam and Jordan Valley irrigation system design, with annexes. Signed at Amman September 21, 1977. Entered into force September 21, 1977.

Project loan agreement concerning rural and urban electrification, with annexes. Signed at Amman September 21, 1977. Entered into force September 21, 1977.

Republic of Korea

Agreement relating to the provision of medical treatment to Korean veterans of the Korean and Vietnam conflicts in Veterans Administration hospitals in the United States. Effected by exchange of notes at Seoul February 3, 1978. Entered into force February 3, 1978.

Mexico

Agreement extending the agreement of July 31, 1970, as amended and extended (TIAS 6941, 7927), for a cooperative meteorological observation program in Mexico. Effected by exchange of notes at Mexico and Tlatelolco January 31, 1978. Entered into force January 31, 1978.

Mozambique

Agreement relating to transfer of agricultural commodities to Mozambique. Signed at Maputo December 2, 1977. Entered into force December 2, 1977.

Romania

Agreement relating to trade in cotton textiles, with annex. Effected by exchange of notes at Bucharest January 6 and 25, 1978. Entered into force January 25, 1978; effective January 1, 1978.

Agreement clarifying certain understandings relating to the supply of enriched uranium to Romania for the TRIGA reactor. Effected by exchange of notes at Washington February 13, 1978. Entered into force February 13, 1978.

Sri Lanka

Loan agreement concerning Mahaweli Ganga irrigation, with annexes. Signed at Colombo November 9, 1977. Entered into force November 9, 1977.

Loan agreement concerning paddy storage processing, with annexes. Signed at Colombo February 2, 1978. Entered into force February 2, 1978.

Syria

Loan agreement relating to agricultural production and economic development. Signed at Damascus September 20, 1977. Entered into force September 20, 1977.

Project grant agreement relating to technical services and feasibility studies, with annex. Signed at Damascus September 20, 1977. Entered into force September 20, 1977.

¹ Not in force.

² Not in force for the United States.

³ Subject to ratification.

⁴ Signed *ad referendum*.

⁵ With a declaration.

⁶ Accepted on behalf of Hong Kong.

PRESS RELEASES: Department of State

March 2-15

Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

No.	Date	Subject
*103	3/2	Inauguration of the Family Liaison Office, Mar. 1.
*104	3/3	Galen L. Stone sworn in as Ambassador to Cyprus (biographic data).
*105	3/6	Program for the official visit to Washington, D.C., of Yugoslav President Tito, Mar. 6-9.
*106	3/6	David T. Schneider sworn in as Ambassador to Bangladesh (biographic data).
*107	3/7	U.S., Hungary conclude trade agreement negotiations.
*108	3/8	Advisory Committee on Music, U.S. Advisory Committee on Classical Music, Apr. 3.
*109	3/9	Vance: statement before the Subcommittee on Foreign Operations of the Senate Committee on Appropriations concerning foreign assistance programs.
110	3/8	Vance, Owen: joint statement.
*111	3/10	John P. Condon sworn in as Ambassador to Fiji (biographic data).
*112	3/11	Joint statement of U.S. and Netherlands delegations concerning North Atlantic air services.
*113	3/13	Advisory Committee on Problems of the Transnational Bank, Study on Transnational Bank Problems, Apr. 24.
*114	3/13	Thomas J. Corcoran sworn in as Ambassador to Burundi, Apr. 10 (biographic data).
*115	3/13	U.S., Republic of Korea conclude bilateral textile agreement, Apr. 24 and Mar. 9.
*116	3/15	International Commission for the Conservation of Atlantic Tuna, Advisory Committee to the U.S. National Section, Apr. 24 and Mar. 9.
*117	3/15	Shipping Coordinating Committee (SCC), Subcommittee on Safety of Life at Sea, working group on ship design and equipment, Apr. 11.
*118	3/15	Advisory Committee on International Intellectual Property, Apr. 11.
*119	3/15	U.S. Organization for the International Radio Consultative Committee (CCIR), Study Group 4, Apr. 11.
*120	3/15	SCC, Apr. 12.
*121	3/15	U.S. Organization for the International Telegraph and Telephony Consultative Committee, Apr. 12.
*122	3/15	U.S. Organization of the CCIR Study Group 1, Apr. 14.
*123	3/15	U.S. Organization for the CCIR Study Group 5, Apr. 19.

* Not printed in the BULLETIN.

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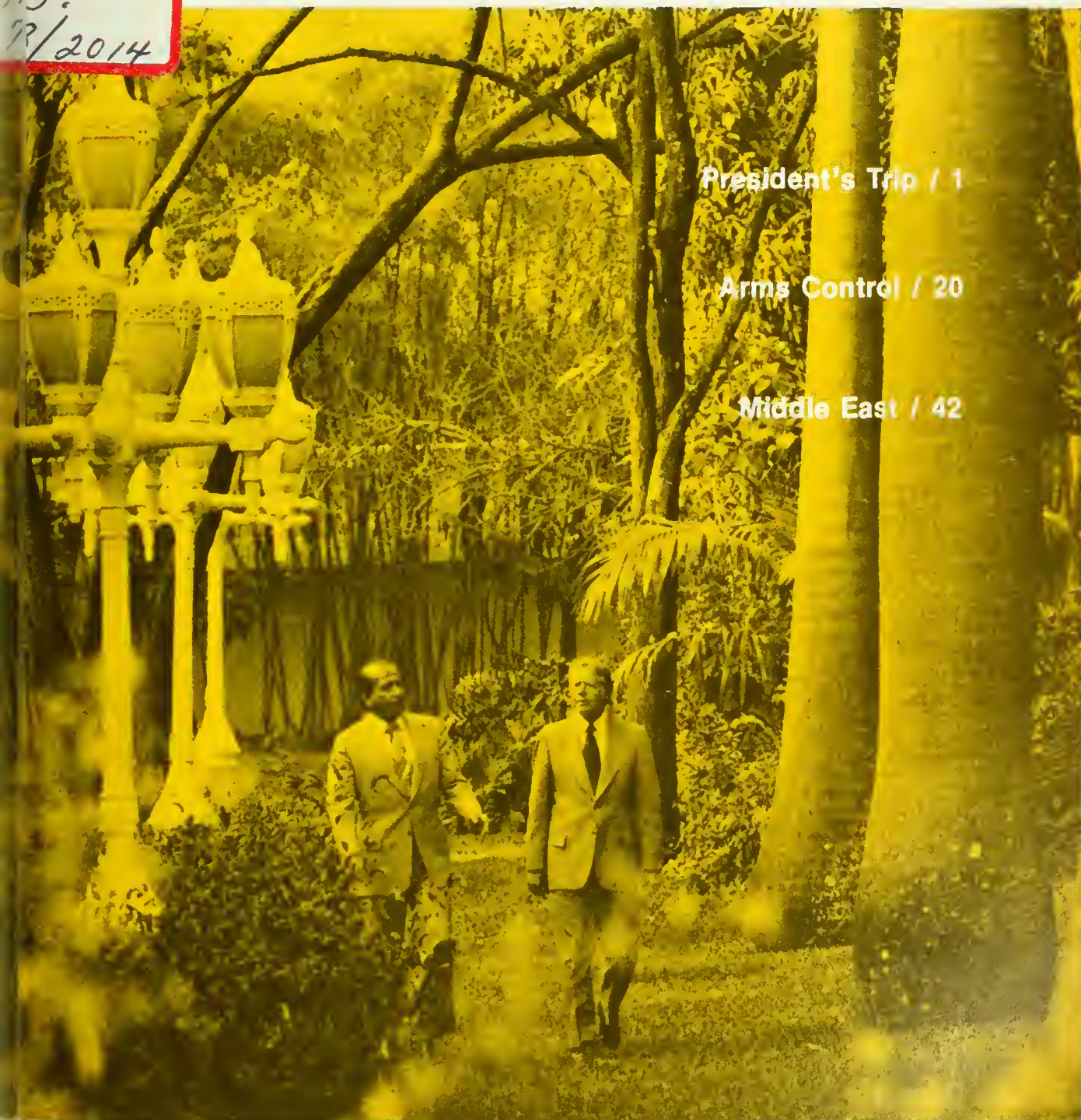


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Department
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Bulletin *May 1978*

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With President Perez in Caracas

The DEPARTMENT OF STATE BULLETIN, published by the Bureau of Public Affairs, is the official record of U.S. foreign policy. Its purpose is to provide the public, the Congress, and government agencies with information on developments in U.S. foreign relations and the work of the Department of State and the Foreign Service.

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HODDING CARTER III
Assistant Secretary for Public Affairs

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PHYLLIS A. YOUNG
Editor

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DEPOSITORY



Clockwise from top left:
 Secretary Vance and Assistant to the President
 for National Security Affairs Brzezinski in Brasil
 President Carter with Lt. Gen. Obasanjo in Lago
 Mrs. Carter and Amy in Badagri, Nigeria
 President Carter and Amy with
 President Tolbert in Monrovia
 A newsman
 U.S. "fan" in Monrovia

THE PRESIDENT: Visit to Latin America and Africa

President Carter left Washington March 28, 1978, on a trip to Venezuela, Nigeria, and Liberia. He returned on April 3, 1978.

Following are remarks by President Carter made on various occasions during the trip—including his addresses in Caracas, Brasilia, and Lagos and his conference in Brasilia—as well as texts of the joint communiques with Venezuela, Brazil, and Nigeria.¹

REMARKS TO VENEZUELAN CONGRESS, CARACAS, MAR. 29²

I am honored today to stand in this assembly of one of the greatest nations on Earth, to bring warm greetings from the people of the United States, whose love of liberty is as deep as your own. Our nations are joined not just by common interests but by the strongest and the most lasting bond of all—that of shared values.

Venezuela stands high among those who have defended the cause of democracy. A century and a half ago, Venezuela gave to the world Simon Bolivar, a symbol of liberty whose example reaches far beyond the Americas. Venezuela provides unmistakable proof that political liberty and economic progress need not be conflicting ideals but can strengthen one another.

Nearly 200 years ago, General Francisco de Miranda traveled through my own country as he prepared for the struggle to free Venezuela. And last year, your President and my friend, Carlos Andres Perez, joined that journey, and with each other took in my own country, he understood even better our traditional, common commitment to democratic principles.

Your country has worked tirelessly with success for wider adoption of the American Convention on Human Rights and strengthening of the Inter-American Commission on Human Rights. We believe, as you do, that none of us can enjoy true liberty when others are oppressed.

Your country and others in Latin America and in the Caribbean have taken the lead in another area, which will have an equally profound effect on the world of the future: the relationship between the advanced industrial nations which have the greatest capacity of influence and material goods on the one hand, and the poor and developing nations of the world who

are understandably seeking a larger and more equitable share.

Before the Organization of American States (OAS) last year, I stated that the economic issues of central concern to the United States and to Latin America are global issues and that they need to be addressed in a continuing dialogue between the rich and the poor nations.³

Closer consultation among our nations would lead to greater harmony, better collective judgment which can avoid mistakes, and the prevention of inadvertent injury to those who are weak and most vulnerable.

Shared Responsibility

Today I would like to discuss with you the responsibility we share—developed and developing countries alike—for creating a more just international order. I want to discuss a vision of what our world can become—whether it will be a world of inequality and want or one of partnership and fulfillment; whether we anticipate the changes that must inevitably come and adopt them or turn our backs on the future, vainly believing that change can be forestalled.

Last night, as President Perez said in his eloquent and significant address, and I quote him, "Of all Utopias, the most dangerous is the one of those who think that the world can continue as it is or as it was conceived 30 years ago." These reflections lead us to the fundamental statement that the crisis that affects the world now has very deep roots. We are living through a moral crisis, a crisis of ethical principles.

Political, economic, and social changes have already transformed our modern world. The old colonial empires have fallen, and more than 100 new independent nations have risen in their place.

Our nations are more dependent on one another economically, more willing to deal with each other as equals,

more able to influence one another—either for good or for ill—than ever before in human history.

We must all acknowledge this basic fact: that we share responsibility for solving our common problems. Our specific obligations will be different, our interests and our emphases will, of course, vary, but all of us—North and South, East and West—must bear our part of the burden.

If the responsibility for global progress is not shared, our efforts will certainly fail. Only if the responsibility is shared may we attain the goals that our people want and that our times demand.

We share three common goals:

- First, to accelerate world economic growth through greater involvement of the developing nations, for their progress is essential to global prosperity for us all;

- Second, to make the most beneficial use of the world's greatest wealth, its human potential; and

- Third, to insure that all nations participate fully in basic decisions about international economic and political affairs. Only by acting together can we expand trade and investment in order to create more jobs, to curb inflation, and to raise the standard of living of our peoples.

World Economic Growth

The industrial nations share the same problems and cannot by themselves bring about world economic recovery. Strong growth and expansion in the developing countries are essential, and as they succeed, they must be prepared—and this is difficult—for the responsibilities of success in this highly competitive world economy.

There are five steps we must take together:

- Increasing capital flow to the developing nations;

- Building a fairer and a more open system of world trade;

- Working to moderate disruptive price movements in the world economy;

- Cooperating on energy conservation and development; and

- Strengthening technological capabilities in the developing world.



Meeting President Perez in Caracas

None of these tasks is simple, and each demands efforts from all sides. Private institutions and investors will continue to play the major part in increasing capital flows, but capital supplied by public institutions and governments is also, of course, critical to development.

We in the United States will do our part. In managing the international economy, we place particular importance on the expansion of the International Monetary Fund, which helps both developing nations and also the industrial nations to overcome their balance-of-payments problems. We in the United States will press for swift congressional approval of our own substantial contribution to the supplementary financing facility, \$10 billion, recommended by Mr. Witteveen.

The international development banks are fundamental to the health of the world economy. They contribute to the growth and development of many nations and thus to the expansion of world trade. In the years ahead, the United States plans to increase its contributions, and we will work with other nations to insure that these institutions receive the support they need.

Bilateral economic assistance also has a major role to play. I've requested, for instance, that Congress approve a 28% increase in our pro-

gram just for the coming year alone.

I applaud the efforts of Venezuela and other developing countries to expand your own programs of economic assistance. All of the OPEC [Organization of Petroleum Exporting Countries] nations have a responsibility to use their surplus wealth to meet the human needs of the world's people.

In some cases, the burden of repayment of official development aid has become an impediment to development. My Administration is supporting legislation, now before the Congress, which will allow us to ease the terms of past American aid loans to some of the least developed nations.

We must work toward an expanded and more equitable trading system. In no area of economic relations is the opportunity of Latin America greater—nor the responsibility more serious—than in expanded trade. The multilateral trade negotiations now going on in Geneva are the focal point of continued efforts to liberalize trade and to strengthen the rules for international commerce. Both developed and developing nations have an enormous stake in the success of these negotiations.

We must all resist the temptation to impose new restrictions on imports. We must all strive to reduce existing barriers to trade, both tariffs and other measures, while giving special

consideration and benefits to the developing countries.

We must also work to moderate disruptive price movements in the world economy and to stabilize prices of primary commodities. Reasonable and stable export prices hold down inflation and encourage better income and a more regular flow of new investment capital to who produce raw materials.

All nations can, therefore, from the negotiation and effective implementation of commodity agreements and from the creation, with help of the United States and other major countries, of a common front for price stabilization.

We've already begun to coordinate and plan for the wise use of Earth's limited resources, such as food, and now we must do the same with energy.

Both the industrial and the developing countries must conserve energy and devote more of our vast technological efforts and resources to worldwide efforts to develop new sources of energy, such as the sun, and, as Latin American nations already shown us, even from wind and from other agricultural products. We must do so without either degrading our environment or creating a world of proliferating nuclear wastes.

For the rest of this century, the greatest potential for growth is in the developing world. To become self-reliant, developing nations must strengthen their technological capabilities. To assist them, we are proposing a new U.S. foundation for technological collaboration.

Through private and public foundations and through our increased participation in the U.N. conference, we can make technical and scientific cooperation a key element in our relationship.

Human Potential

Our main task as members of the world community is to work toward the day when every person has a chance to achieve a full measure of human potential.

The population of the world is increasing rapidly, and within two decades, it is expected that two-thirds of the world's population—eight billion more—will live in Asia, Africa, and Latin America. We want every child to be a wanted child, and we realize that already three of every five children in the developing world do not receive the basic requisites of

ny diet, and nearly two-thirds of world's population in the Third d do not have access to water is safe to drink.

ese conditions and others offend onscience of mankind, for the n rights we believe in so deeply de not only the right to be free o avoid mistreatment from gov-ent but also the right to a fair e for a decent life.

roughout the world, the fruits of h have been very unequally dis-ed. Among nations and within ns wealth coexists with abject y and suffering. Our economic ss is inadequate if its benefits ot reach all the people. Rich and nations alike should devote more tion to raising the minimum ards of living for the poorest of ellow human beings.

United States will increase its

efforts, particularly in those countries where governments are themselves most committed to meeting the basic needs of their people for health, education, shelter, and to increasing their own food production.

We will contribute, for instance, a minimum of 4.5 million tons of grain to a new food aid convention. We support the international food aid target of 10 million tons, and we are willing to join other nations in increasing the amount, particularly in years of severe food shortages.

As for the political liberties that are also part of basic human rights, we believe that democracy provides the best system to attain this goal and that the international community has a special responsibility to support countries that are moving to institute democratic procedures and institu-

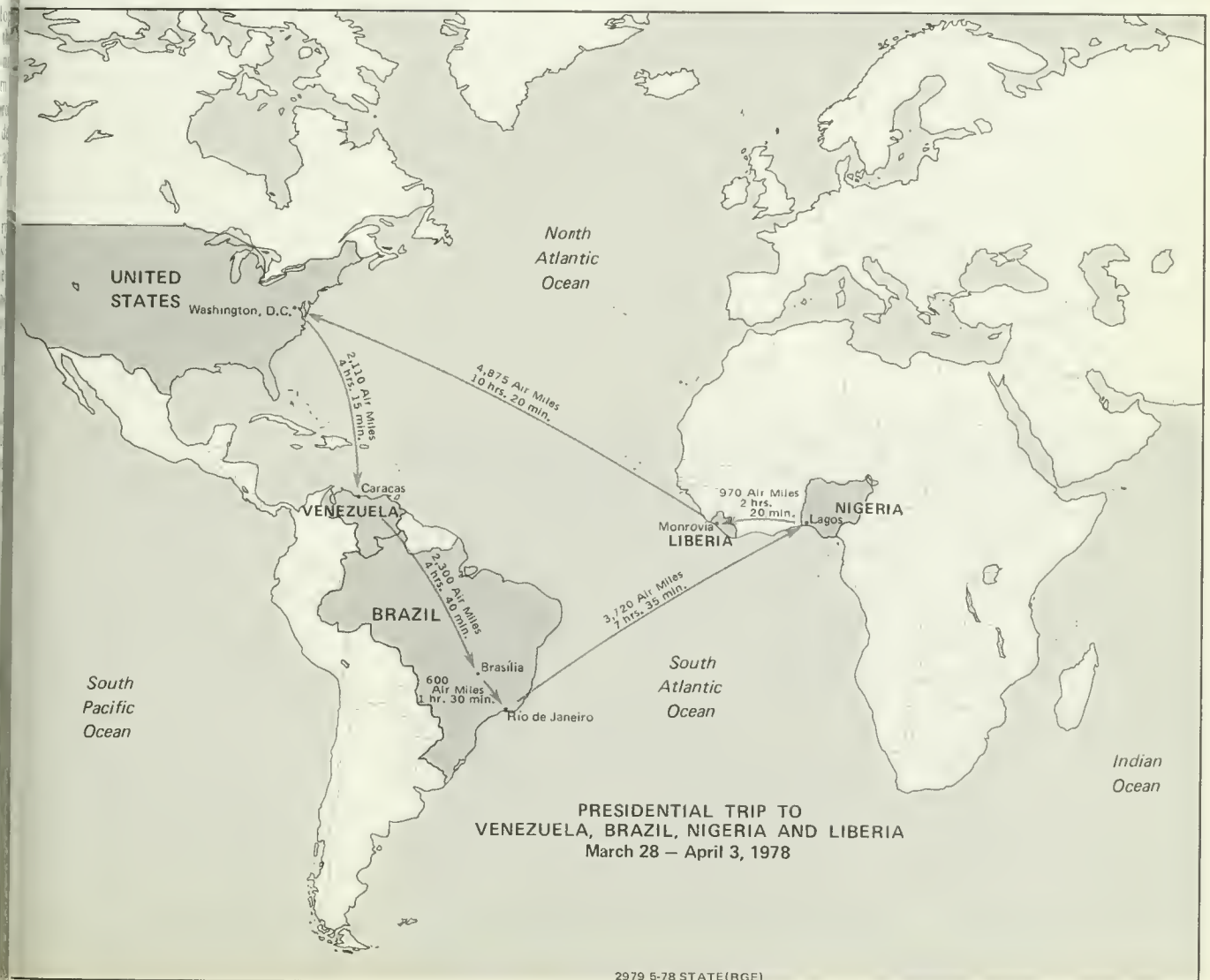
International Participation

There can be no question that the institutions we have created must adapt to a changing and diverse world. And that is our third goal. The individuality and the sovereignty of nations must be respected. Intervention in the internal affairs of others must be opposed.

There must also be a reversal in the

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Mar. 28-29	Caracas, Venezuela
Mar. 29-30	Brasilia, Brazil
Mar. 30-31	Rio de Janeiro, Brazil
Mar. 31-Apr. 3	Lagos, Nigeria
Apr. 3	Monrovia, Liberia
	Washington, D.C.



massive and excessive weapons sales that are being made from my own and from other industrialized countries to the poorer nations, which still have profound and unmet social and economic needs.

Just as all people should participate in the government decisions that affect their own lives, so should all nations participate in the international decisions that affect their own well-being.

The United States is eager to work with you, as we have in the past, to shape a more just international economic and political order. Both the industrialized nations, which have greater influence in institutions like the International Monetary Fund and the World Bank, and the developing nations with great influence in organizations like the U.N. Conference on Trade and Development, must share the responsibility for opening the international system to different views.

The Conference on International Economic Cooperation, in which Venezuela, as you know, plays such a major and pivotal role, was a useful start toward the global dialogue which we seek. A newly created committee of the U.N. General Assembly will carry on that work.

As we move toward an improved international economic order, we must think beyond institutions and measure the impact of change on the daily lives of people. We recognize our differences, but we cannot allow them to blind us to the problems and

the tremendous opportunities which we share.

Conclusion

When I was growing up in the deep South of the United States, we farmed exactly as our grandfathers had farmed, rising before dawn and laboring manually until sunset. We had no tractors and little machinery of any kind, and even as we worked, we often knew that we were reducing our future yields, that the richness of our land was blowing away in the wind or washing away in the rains.

When we farmed out our land, we had no choice but to keep on farming it and working in the same fields, because many of us lacked the knowledge or the means to make it fruitful again.

I remember the almost unbelievable change the coming of electric power made in the farm life of my childhood. Electricity freed us from the continuing burdens of pumping water and sawing wood and lighting fires in the cooking stove. But it did even more—it gave us light by which to read and to study at night. It gave us power—not just to perform the old exhausting tasks but power to make our own choices. Because electric power came to us through cooperatives, in which we all had to share the responsibility for a decision, it changed our lives in other ways.

Farmers began to meet together to discuss local needs and national is-

suces and to decide how to influence government and to negotiate large, far-off companies that provide their supplies. I've seen the farm that I knew in my childhood transformed by energy and by technology and increased knowledge and by opportunity to participate in the decisions that affect ourselves and families.

I can understand the unfulfilled yearnings of other people in developing nations to share these blessings of life. All nations must work together to acknowledge the validity of their yearnings, to take into full account the need and diversity of developing nations, and to promote mutual participation in making the international decisions that affect us all.

I've spoken to you of shared obligations. The industrial nations provide long-term capital and reduce trade barriers. The developing nations must assume the obligations that require company responsible participation in an evolving world economy.

Real progress will come through specific, cooperative actions designed to meet specific needs—not through symbolic statements made by the industrial nations to salve our conscience nor by the developing countries to recall past injustices. We need to share a responsibility for solving problems and not to divide the blame ignoring the problems.

I believe that your great country and mine share a vision of an international system in which each individual and each nation has a part which each individual and each nation has the hope of a better future. Can in such a world can life be good for all its people.

JOINT U.S.-VENEZUELA COMMUNIQUE, CARACAS, MAR. 29¹

The visit reflected the close relations between Venezuela and the United States served to continue their dialogue initiated in 1977 on the occasion of the visits which Venezuelan President made to Washington.

The two Presidents reaffirmed their commitment to the preservation and strengthening of democracy and placed particular emphasis on the importance of human rights as a duty to all societies and their commitment to the centers of the Organization of American States and the United Nations. Both Presidents pressed the hope that the American Convention on Human Rights will soon enter into force and manifested their Governments' interest in seeing both the autonomy and resources of the Inter-American Human Rights Commission increased, agreeing in their belief that

Presidents Carter and Perez with reporters in Caracas



mission has an essential role to play in effective promotion of Human Rights in this hemisphere.

Presidents discussed the ratification of Panama Canal treaties signed at the OAS headquarters in Washington [on September 7, 1977] by the President of the United States of America and the Head of Government of Panama which is now being considered by the Congress of the United States of America. They expressed the hope that the process will be successfully concluded to strengthen a new era of cooperation in the relations between the United States of America and the Peoples of Latin America.

Heads of State examined the present state of the world economy, including the prospects for international cooperation on the basis of development, trade, basic commodities, energy, the effects of inflation and the international monetary system.

Presidents agree on the need for an international code of conduct relating to the activities of transnational corporations. They condemned the practice of bribes and illicit payments and called for support of an international convention on illicit payments.

Presidents reaffirmed the importance and the utility of additional consultations in the context of the North-South dialogue between the United Nations and other world organizations. They agreed on the importance of implementation of the commitments made at the Conference of International Economic Cooperation, in which Venezuela played a leading role. Both Presidents extended their support for a more just and equitable international system, with both developed and developing countries sharing responsibility for it.

Presidents examined the world's political situation and condemned the presence of foreign forces in Africa. They reiterated their condemnation of apartheid as an unacceptable negation of human rights. They extended their total support for the independence of Zimbabwe in accordance with norms of the United Nations and for the independence of Namibia within the framework of United Nations Resolution 385.

Presidents exchanged views concerning the situation in the Middle East and deplored recent violence which occurred in that area. They agreed that it is necessary and urgent to intensify efforts to achieve a just, comprehensive and durable peace based on the principles of the [U.N. Security Council] Resolutions 242 and 338. They stressed the importance of a withdrawal on all fronts pursuant to Resolution 242 and the resolution of all aspects of the Palestinian question.

They noted their meeting coincided with the beginning of the Seventh Session of the United Nations Conference on Law of the Sea, which was its first substantive meeting in Caracas in 25 years ago. They agreed that it is essential that the conference reach agreements which are just and fair for all countries.

The two Presidents dedicated an important

portion of their time to the consideration of the idea already agreed to in Washington in 1977 concerning the development program for the Caribbean basin. They examined the role played in the preliminary studies by the World Bank as well as by other international institutions. Even as they manifested their satisfaction with the process already under way, they agreed that it is urgent to bring this idea to fruition and to promote cooperation between the countries of that area and the rest of Latin America in such a way as to help the states of the Caribbean in their effort for a viable development which satisfies their own aspirations.

The themes concerning Latin American economic integration were the object of particular attention. The Presidents examined the progress of the Andean Pact, its important program agreements signed in 1977, the functioning of LAFTA [Latin American Free Trade Association] and the progress of SELA [Latin American Economic System]. Both Presidents recognized the important cooperative effort of the countries of the area reflected in the different programs of regional integration and manifested their sympathy and support for these programs.

With relation to nuclear non-proliferation the two Presidents took note of the necessity for implementing greater safeguards and making greater use of nuclear energy for peaceful purposes once the risks, not yet resolved, are taken care of. The Presidents gave special importance to the entry into force of the Treaty of Tlatelolco [Treaty for the Prohibition of Nuclear Weapons in Latin America], and noted with satisfaction the progress in the International Nuclear Fuel Cycle Evaluation.

The Presidents exchanged ideas about arms restraint in Latin America. They expressed their disquiet with growing arms purchases and in the resurgence of old conflicts. They agreed that it is urgent to restrict the transfer of conventional weapons as was envisaged in the 1974 Ayacucho Declaration.

They discussed the United Nations Special Session on Disarmament and agreed that the Session should provide a stimulus to further concrete disarmament efforts.

Insofar as bilateral matters are concerned they confirmed the importance of cooperation in the field of energy and the continuing participation of Venezuelan petroleum exports in the United States market. They considered useful the results of the meeting held at the beginning of March between the Venezuelan Minister of Mines and Energy and the U.S. Secretary of Energy pointing out the possibility of cooperation for the development of heavy crudes. The two Presidents reaffirmed their desire to continue consultations both at the technical level and at the political level on energy matters as well as to establish periodic consultations on economic and commercial matters.

The two Presidents took note with satisfaction of the signature during the visit of the Treaty on Maritime Boundaries between the

two countries and a Memorandum of Understanding on Narcotics and of the prospects of negotiating other agreements, reflecting the spirit of cooperation existing between the two countries.

The two Chiefs of State expressed their complete personal satisfaction with the results of their conversations and took note that this state visit, the third meeting between them during the last year, was a demonstration of their interest in continuing their consultations on world matters of importance to the two countries.

Upon ending his stay in Venezuela, President and Mrs. Carter thanked President Perez for the cordial hospitality offered them and their official party by the Venezuelan people and government.

REMARKS TO BRAZILIAN CONGRESS, BRASILIA, MAR. 30²

One of the greatest honors of my life is to meet with others who share with us in the United States a common background, a common commitment to the common future.

I particularly want to thank Senator Enrico Rezende and my good and old friend, Deputato Erasmo Martins Pedro for these inspirational words. There is no way that I can match your eloquence. There's no way that I can improve upon what you have said. And your complimentary words to me, undeserved, will be an inspiration in the years ahead.

I've been here before in this Chamber, in your country. I've been impressed with the greatness of Brazil. I've seen the compatibility between your own people and ours—the origins of your country; the struggle for freedom against colonial rule; the courage, the tenacity, the dedication that was required in our country and yours to explore new frontiers, to carve out for ourselves a better life, a greater life, and a position of leadership throughout the whole world.

I recognize that in your country and in mine there is a great diversity of interest, differences among people, and a constant, unceasing, most often successful struggle to bring harmony among differences and to carve out common commitments that will add the strength of all those different people together to reach a destiny even more inspirational than the past history has already given to us.

We share a common religion among many of our people, a common hope for peace. We share a feeling that our nations are bound together with unbreakable chains. We share a realization that while friendship is strong



President Carter addressing the Brazilian Congress

enough to sustain transient differences of opinion, that we can exchange ideas freely and without constraint and, in the process, learn about one another and perhaps improve the attitudes of people in the United States and also in Brazil.

We are learning together in the Western Hemisphere, which still has the vigor of newness, how we can exert our leadership throughout the rest of the world in dealing with hunger and despair, in dealing with the struggle for basic human rights.

We understand the broad definition of these two important words—the right to freedom; the right to criticize a government; the right of people to contain within themselves, collectively, the ultimate authority; the right to an education; the right to good health, a place to live, food; the right to share more equitably the riches with which God has blessed us; the right to express opinions; the right to enhance our own individuality; the right to seek collective solutions to private and public problems; the right to expose the greatness of our own nations which we love.

I'm grateful for the invitation to appear before this great Congress as one whose own political career began in a legislature. I've seen the importance of a good relationship between a Governor and a State legislature, between a President and a national Congress. And I join you in honoring the ultimate purpose of any legislative body; that of insuring that individual people who have small voices may participate through you in the decisions that affect their lives.

Thirty-one years ago, another American President stood before the Brazilian Congress, another Congress, in a different city, since your vision of Brasilia had not yet been fulfilled. I'd like to quote from the words of Harry Truman: "It is not too much to describe our relations as those of 'life-long friendship.'" he said. And then he asked, "Why are the ties between us so close? The distance between our countries is great and until of recent years communication was slow and difficult. But it is not physical proximity that alone makes friends and neighbors. It is rather the fact that we have common interests, common principles, and common ideals."

Those words still apply today, and they are the overriding concepts which bind our nations together permanently and on which we base our realization and our hope and our expectation for future friendship, stability, and mutual strengthening in the years to come.

In the intervening years, Brazil has come into an even fuller realization of your rightful place in the world, though it has not yet reached the limits of your enormous potential. And after all those years, we can still call on one another as friends, for that bond recalls the sacrifices that we have made together in a common struggle, with the loss of Brazilian and American lives, and it implies the right to disagree on occasion—even vigorously—without bitterness or mistrust.

As I said when I met your President yesterday, the world needs, the

world expects, and the world benefit from your creativity, energy, and your success. Many of the problems that we share as members of a human family will never be solved unless the ablest among us vote their best to efforts to that end. Economic development with a fair distribution of the world's riches, a trading system that is open and equitable, cooperative solutions to common energy problems, peaceful use of atomic power without the threat of proliferation, reducing the excessive trade in weapons, and encouraging consultations and negotiations about even the most troubling issues—advancing the cause of human liberty, democratic government, and the rule of law—these are efforts in which the United States needs your friends, your partnership, and the world needs your help and your leadership. I'm sure we will not be disappointed.

Since my friend has quoted the Bible, I would like to do the same. The Bible tells us that to whom much is given, much will be required. Two nations have been greatly blessed by God, and we have much to give in return.

NEWS CONFERENCE (EXCERPTS), BRASILIA, MAR. 30⁵

I'm very delighted to be here in Brasilia to participate in a live press conference, and I will alternate questions between the Brazilian and American press.

Q [in Portuguese]. At the beginning of your Administration there was a clear tendency to isolate and treat Brazil coldly in favor of democratically elected governments elected by the people. Yesterday at the airport you stressed the need for cooperation between Brazil and the United States as equal partners. Who has changed? Brazil or you?

A. I certainly have not changed. The experience that I have had in Brazil as Governor of Georgia before I became President made Brazil the most important country to me. My wife and I visited it frequently. We had a partnership arrangement between my own State and the State of Pernambuco.

We studied the background, history, the culture, and the government of Brazil. And there has never been any inclination on my part or the part of my Administration to underestimate the extreme importance

Brazil as a major world power, nor underestimate the extreme importance of very close and harmonious relationships between the United States and Brazil.

There are some differences of opinion between ourselves and Brazil which have been very highly publicized. But on the long scale of things, both in the past history and in the future, the major factors which bind us in harmony with Brazil far transcend the differences that have been publicized between our approach to human rights, for instance, and the subject of nonproliferation of nuclear weapons.

But our commitment to Brazil as a friend, our need for Brazil as a partner and a friend has always been the same and is presently very important and will always be that important in the future.

Q. In recent days, you've seen the use of American military supplies to invade a country and to cause untold suffering to hundreds of thousands. Some say this is the violation of U.S. law. In view of the fact that you have before you, is it a violation; and two, has it caused you to reassess your warplane package for the Middle East?

A. Are you referring to the Lebanon question?

A. Yes.

A. As you know, when the terrorist attacks in Israel precipitated the countermove by Israel into Lebanon, which has been a haven for the Palestinian terrorists, the United States took the initiative in the United Nations—I might say, without the approval of Israel—to initiate U.N. action there to expedite the removal of Israeli forces from Lebanon. We have obviously attempted to comply with the law, and this is a matter that we are still addressing. What other part of your question?

Q. Has it caused you to reassess your package of warplanes for the Middle East, and how do you say you have attempted to comply with the law?

A. We're attempting to terminate as rapidly as possible the military presence of Israel in southern Lebanon through U.N. action. I believe this is the proper way to do it, rather than unilateral action on our part, which would probably be unsuccessful in any case to get Israel to withdraw. The presence of U.N. forces—French, the Swedes, and others—I believe, is the preferable way, and it

marshals the opinion of the entire world, through the United Nations, against the Israeli presence being retained in Lebanon.

This has not caused me to reassess the American position on the sale of warplanes and other equipment to the Middle East. This is a very well-balanced package. It emphasizes our interest in military security of the Middle East. It does not change at all the fact that Israel still retains a predominant air capability and military capability. There is no threat to their security. But it also lets the nations involved and the world know that our friendship, our partnership, our sharing of military equipment with the moderate Arab nations is an important permanent factor of our foreign policy.

Q. The American commercial banks are the main Brazilian source of external credit. It seems to some people in Washington that sooner or later a Congressman may try to establish a link between the commercial banking loans and the human rights policy. I'd like to know your opinion about this subject.

A. Brazil is a major trading partner of the United States in commercial goods and also in loans and, I might say, timely repayments. The debt of Brazil is very manageable. The loans

of the American banks to Brazil are sound. Additional loans are being pursued by the American banks as an excellent advantage for their future investments in Brazil, based on the strength of your country. It would be inconceivable to me that any act of Congress would try to restrict the lending of money by American private banks to Brazil under any circumstances. This would violate the principles of our own free enterprise system, and if such an act was passed by Congress, I would not approve it.

Q. What comes in the first place for you: the private enterprise and the private system or the human rights policy?

A. They're both important to us. And I don't see any incompatibility between a belief in a free enterprise system, where government does not dominate the banks or the production of agricultural products or commercial products on the one hand, and a deep and consistent and permanent and strong belief in enhancing human rights around the world.

I might say that the American business community, the Congress of the United States, the general populace of the United States supports completely a commitment of our nation to human rights. It's a basic element of our national consciousness that has no violation at all—or no conflict between

With President Geisel in Brasilia



human rights on the one hand and the free enterprise system on the other.

Q. Tomorrow you fly to Africa. What can you tell us today about the revised five-power proposals on Namibia?

A. As you know, under the auspices of the United Nations, our own country, Canada, Britain, France, and the Federal Republic of Germany have been working jointly to present to South Africa and to the so-called SWAPO organization—South West Africa People's Organization—a compromise solution to restoring majority rule in Namibia.

We have presented this proposal this week to the South African Government, which now controls Namibia, and also to the SWAPO leaders. We are hopeful that if the proposal is not completely acceptable to both those parties, that it will at least be acceptable enough to prevent unilateral action on the part of South Africa to hold elections in complete violation of the U.N. resolutions and in complete violation of the principle of restoring majority rule to Namibia.

I can't tell you what the outcome of those consultations will be. I will get a more complete report when I arrive in Lagos. Ambassador [to the United Nations Andrew] Young has been in Africa now for about a week. This is one of the reasons that he is there. And I will be glad to give you a more detailed report after I get additional information.

Q. Now that you have a broad nonproliferation act in your hands, do you expect you can persuade Brazil to give up reprocessing and enrichment technology being acquired from Germany? And in that case, what are the carrots you might specifically use to further the power of your arguments in your meetings with President Geisel?

A. We strongly favor the right of any country to have part of its energy supplies come from nuclear power. As you know, our country has been the leader in the evolution of atomic power for peaceful uses, and we would do nothing to prevent this trend from continuing, both in Brazil and in other countries around the world.

Our own nuclear nonproliferation policy, however, tries to draw a distinction between the right and the meeting of need of countries to produce energy from atomic power on the one hand, and the right of the country to evolve weapons-grade nuclear materials through either enrichment processes or through reprocessing.

We have no authority over either West Germany or Brazil, nor do we want any. But as a friend of both countries, we reserve the right to express our opinion to them that it would be very good to have, and possible to have, a complete nuclear fuel system throughout a country without having the ability to reprocess spent fuel from the power reactors. In the United States, for instance, in the last 25 years or so, on several occasions major investments—multibillion-dollar investments in all—have been made in reprocessing plants. So far as I know, for the civilian nuclear technology, all those plants have now been abandoned as being non-economical.

This is a difference that does exist between Brazil and the United States. The right of Brazil and West Germany to continue with their agreement is one that we don't challenge, but we have reserved the right and have used the right to express our concern, both to the Brazilian Government and to the West German Government.

I think it's accurate to say that the European nations have now announced that in the future, they will not make reprocessing plants part of their overseas sales inventory. And we are very deeply concerned about this. Of course, Brazil has announced that they have no intention of producing nuclear explosives. Brazil is a signatory to the treaty of Tlatelolco. So far, however, Brazil has retained a caveat that it will not apply to them until all the other nations sign it. And Argentina, Cuba, France, Russia have not yet signed the Tlatelolco treaty.

We would hope that every effort would be made by Brazil and other countries, as it is on the part of our own country, to prevent the spread of nuclear explosive capability to any nation which does not presently have it.

Q. What are the carrots?

A. We have no specific carrots to offer, except that we are making available to countries—and now in a much more predictable way with the new congressional law—enriched uranium, which is suitable for production of power but not suitable for explosives, and technological advice and counsel both in the use of uranium, with which Brazil is not blessed as a natural resource, and also thorium, which we have in our own country and which Brazil already has.

The new thorium technology is a much safer one to provide power without going to plutonium. Recently

Brazil—and I think very wise signed an additional agreement with West Germany which would open advice and technological ability to use thorium. But the right of Brazil and the advisability of Brazil to have a very advanced nuclear power capability is one that we don't dispute but on the other hand, approve.

I might add one other point, that is that we see a clear need for nations to sign the Nonproliferation Treaty. We're signatories of it; so are the Soviet Union, the Germans, and many of the countries in the world. If this, combined with International Atomic [Energy] Agency safeguards, is a good guarantee within a country and throughout the developed and developing world that there will not be a trend in the future toward other nations developing nuclear explosive capability.

Q. Have you or any other U.S. officials—Dr. Brzezinski, for instance—suggested that Prime Minister Begin may not be the right man to head that government in present circumstances? And apart from what may or may not have been said, do you now think the Begin government can make the hard decisions necessary to move the peace process forward?

A. I can say unequivocally that one in any position of responsibility in the U.S. Administration has not insinuated that Prime Minister Begin is not qualified to be Prime Minister or that he should be replaced. In my report, the origin of which I do not know, is completely false.

I think that Prime Minister Begin and his government are able to negotiate in an adequately flexible way to reach an agreement with Egypt, later Jordan and other of our neighboring countries. This is our hope and this is also our belief. We have not given up on the possibility of a negotiated peace settlement in the Middle East.

Under the Begin government, with him as Prime Minister, recent arrangements have been made between Israel and Egypt for [Israeli Minister of Defense] Ezer Weizman to go to Egypt again, which will be a continuation of the probing for a compatibility. I think it is obvious now that with the issues so sharply drawn, the key differences remain that must be addressed on the side of Israel. The things that are of deepest concern to Israel's refusal to acknowledge the U.N. Resolution 242 applies clearly to the West Bank, their unwillingness to grant to the West Bank Pales-

the Palestinian Arabs, a right participate in the determination of own future by voting at the end 5-year period, and so forth, for kind of affiliation they would with Israel or Jordan or under a administration. And this is a prob- or which I have no clear solution. But I believe that the Begin gov- ment is completely capable of negotiating an agreement with Egypt.

In connection with your visit in Latin America, do you ex- in the future—do you consider possibility of another visit to the countries of Latin America, my case, to Argentina, and do have an eventual date for this?

We have not yet set any date made any plans for future visits. You may know, I have visited Argentina in the past, and so has my And this year, this past year, Secretary of State—our Secretary of State, Cyrus Vance—visited Argen- too [November 20–22, 1977]. Your own leader, Videla, came to us in Washington. I have no es now for any additional trips here after I return to Washing-

What's the purpose of this thing that you are having in Rio Cardinal Arns [a leader of the Brazilian human rights coalition] and five other people? I mean, what specifically are you intending to discuss with them and hear from them?

I don't have any agenda pre- pared for my visit with Cardinal Arns and the others. In a diverse society like you have here in Brazil, it's im- portant for me to visit with different persons who represent different views. I will have thorough discus- sions, as you know, with President Geisel and his administration, and I want to meet with as many other people as I can. I have, by the way, been and talked to Cardinal Arns pre- viously in the United States. I think it is typical of leaders who visit other countries. I noticed, for in- stance, with some interest, that when President Geisel visited the Federal Republic of Germany recently, he not only met with Chancellor Schmidt but also met with the leaders of the opposi- tion parties.

And as a leader of a nation, I re- spond to the right to meet with whom I please. And I think this is a construc- tive thing, which will give me a much better overall understanding of what is going on in Brazil. And I think the right



Mrs. Carter and Amy in Brazil

of people to speak to me as a foreign visitor is one that's important to Brazil to preserve and to cherish. And I am thankful that I have that right when I visit your country.

Q [in Portuguese]. I'd like to know whether in your meeting with General Figueiredo [Chief of the Brazilian National Intelligence Service] yesterday you discussed the program of the political opening up of the Brazilian Government and the implementation of that plan?

A. I did not have an opportunity to discuss any matters of importance with General Figueiredo. I only met him very briefly in a larger group of people—30 or 40 people—and in the receiving line when I came into the airport. So, I've not had a chance to discuss this with him.

Q [in Portuguese]. My basic question was the same as he asked, but I'd like to know how you view the succession here in Brazil, and how do you view the problem of political and civil rights in Brazil?

A. I think the type of succession and the process through which you choose your leaders, or your leaders are chosen, is one to be decided in Brazil. I'm not here to tell you how to form your government. I have no inclination to do that. The Brazilian people are completely aware of the process, and that's a judgment for you to make.

Brazil, like the United States, is struggling with the very difficult question of identifying human rights and civil rights violations, enhancing the democratic processes, and also encouraging confidence among the people in my government, in the United States, and in the government here in Brazil and other countries.

The differences that have arisen on the human rights issue are not based upon the lack of commitment to en-

hance human rights. I think great progress has been made in your country and also in ours. We do have a sharp difference of opinion, however, on how the human rights issue should be addressed, how specific allegations should be investigated, and what action can be taken to correct any defects that exist in your country or mine or others.

We believe that this is an international problem, that the focusing of world attention and world pressure on us and other countries is a very beneficial factor, that high publicity should be given to any proven violation of human rights. It's a commitment that our nation has that I want not to abandon but to enhance and strengthen.

Brazil, on the other hand, also struggling with the same problem, trying to give greater human rights, does not believe that the international organizations and multinational opinions should be marshaled. However, I do note that recently Brazil did vote for an increase in the financing of the Inter-American Human Rights Commission.

We think that when an allegation is made in our own country, in Brazil, in the European countries, or wherever, that some responsible delegation from the Inter-American Human Rights Commission or the United Nations should go in, get the facts, make the facts public. If there is an actual violation, this would be a great incentive to the government involved—ours or yours or others—to correct the defect. If the allegation is false, then the exposition of the error or the false allegation would be good for the world to know.

So, I think this is a very deep and important consideration. One of the best things about the development on human rights in the last year or so has been the worldwide attention to it. It was kind of a dormant issue for too long, and now I doubt that there's a world leader who exists who doesn't constantly feel the pressure of considering the human rights questions—to analyze one's own administration, one's own country, what the rest of the world thinks about us, and how we could correct any defects and prevent allegations in the future, either true or false.

Q. With the new movement which is now apparent in the Middle East question, is there any possibility of a Middle East stop on your way back home?

A. No. No, I have no intention to stop in the Middle East. I'll go from

here to Nigeria, from there to Liberia, and then back home.

Q. [in Portuguese]. The restraint of your public words until now, your specific desire to meet with a new President, all these facts amount to a virtual blessing of the Brazilian regime. Is your interest in civil rights and political dissidents fading away, or are American economic interests in this country so strong that Brazil is already a special case?

A. I might say that the history, the culture, common defense requirements, trade, common purpose binds the people of Brazil—all bind the people of Brazil and the people of the United States together in an unbreakable commitment, regardless of the identity of the leaders in our own country or yours. The people of Brazil and the United States are bound together. There is no lessening of our commitment to the principles that you described. The basic freedoms to democratic government, to the protection of human rights, to the prevention of nuclear proliferation—these commitments are also very deep for us.

Obviously, the overwhelming responsibility when I come to a foreign country, no matter where it is, is to meet with the leaders who are in office. But I also will be visiting the Congress this morning. I'm sure that I will be meeting the chairman of a Senate foreign relations committee who's also a candidate for President.

We've already pointed out I will be meeting with religious leaders, and I hope that in this process that I'll have a chance to get views from all elements, at least some of the major elements of the Brazilian society. But I'm not endorsing any candidates, and I think that the overwhelming sense of my visit already has been that the strength of our friendship and the mutuality of our purposes, now and in the future, far override any sharply expressed differences of opinion on even the major and very important issues of human rights, nonproliferation, trade, and so forth.

JOINT U.S.-BRAZILIAN COMMUNIQUE, BRASILIA, MAR. 30¹

The President of the Federative Republic of Brazil and Mrs. Ernesto Geisel received the President of the United States and Mrs. Carter as official guests of the Brazilian Government. President Geisel welcomed the visit as a clear expression of the importance of the relation-

ship and the historic ties that link the two countries.

During the course of their stay in Brasilia, President and Mrs. Carter visited His Excellency, the President of the Supreme Federal Tribunal, and other members of the Tribunal. President Carter also called on the National Congress meeting in solemn joint session. President and Mrs. Carter expressed their deep appreciation for these opportunities to meet with the Tribunal and the National Congress.

The visit testifies to the desire of both Presidents to increase their mutual understanding and build on the broad areas of agreement that exist between the two Governments. The visit also recognizes the growing importance and complexity of relations between the two countries and the need to minimize the inevitable differences in perspective that flow from that complexity.

The conversations between the two Presidents took place in an atmosphere of frankness, cordiality and mutual respect. They reviewed recent international developments on the global and regional plane and exchanged views on the policies and perceptions of their Governments. Recognizing the respective responsibilities of their two countries in the resolution of important global issues, the two Presidents stressed the common interests and goals both countries share for the construction of a just and peaceful international order. They reaffirmed their strong support for the principles of the Charter of the United Nations and of the Organization of American States, and for the principles of sovereignty, equality and non-intervention in the domestic affairs of states, non-use of force in international relations and for other principles of international law governing relations among states. They agreed on the need to persevere in efforts to maintain international peace, strengthen world security, intensify cooperation among states and settle outstanding international issues in accordance with the peaceful means envisaged by the Charter of the United Nations.

In the context of this global review, the two Presidents noted the importance of the United Nations and other international and regional institutions in the resolution of international issues and disputes, and agreed that their two Governments should maintain and expand their cooperation in support of these mechanisms and their increased effectiveness. They also agreed to expand the annual consultations between their two Governments preceding the UN General Assembly sessions, and to bring within the purview of these consultations negotiations and meetings under UN auspices such as the Law of the Sea Conference and the United Nations Conferences on Technology and Development and Technical Cooperation among Developing Countries.

The Presidents exchanged views concerning the situation in the Middle East and deplored the recent violence which occurred in that area. They agreed that it is necessary and urgent to intensify efforts to achieve a just,

comprehensive and durable peace base UNSC Resolution 242 and 338. They stressed the importance of withdrawal on all fronts pursuant to Resolution 242 and the resolution of all aspects of the Palestinian question.

The two Presidents emphasized their concern with the arms race and reaffirmed they strongly favor the adoption of disarmament measures under strict and effective international control. Additionally, the Presidents expressed their mutual dedication to the active participation of their respective countries in the UN Special Session on Disarmament and affirmed their mutual desire the Special Session lead to positive steps towards a reduction and eventual elimination of armaments and the alleviation of international tensions.

Drawing on their deep common heritage and respect for the Rule of Law and their determination to improve the conditions of life for their peoples, both Presidents reaffirmed they agreed that the progress of mankind will be measured in large part by advances in guaranteeing and assuring the political, economic and social rights of all peoples.

President Carter emphasized the fundamental commitment of his country to the protection of human rights and democratic freedoms as basic to the process of building a more just world, and stated that the Universal Declaration of Human Rights and the OAS Charter provide a framework for international cooperation in this area. In this regard President Geisel called that international cooperation for the firmation of human rights, in all their aspects is one of the noblest tasks of the United Nations. He stressed the preoccupation of the Brazilian Government with the observance of human rights and noted the essential role of economic, social and political development in attaining progress in this area.

President Carter reviewed the global significance of the non-proliferation policy of the United States, illustrated the practical implementation of this policy within the United States and described the ongoing efforts of his administration to prevent both vertical and horizontal proliferation on a worldwide basis. He emphasized that U.S. policy is designed to curb the spread of nuclear weapons, while encouraging international cooperation in the development of the peaceful uses of atomic energy. President Geisel noted Brazil's concern for non-proliferation of nuclear weapons, both vertical and horizontal. In connection, he stressed that Brazil strongly supports international efforts towards disarmament; that Brazil's nuclear program is strictly peaceful objectives and is designed to meet her energy needs; and that Brazil favors the adoption of the IAEA's international non-discriminatory safeguards.

The two Presidents reviewed the conditions and prospects of the world economy. They discussed the critical relationship of developments in the U.S. economy to global stability and growth, and examined Brazil's rapidly

ing role within the global economic system. Both Presidents stressed that it is important that the industrialized countries as a group adopt appropriate policies to ensure the realization of more rapid worldwide economic growth, which also requires appropriate policies in the developing countries to maintain healthy economies. They welcomed the decision of OPEC taken in Caracas in December to maintain the prevailing level of petroleum prices.

President Carter emphasized his Administration's commitment to freer trade. President Geisel stressed the importance of export growth to Brazilian development. In this connection, both Presidents emphasized their desire to work towards a more open and fair trading system, to fight protectionism and to cooperate in bringing the Multilateral Trade Negotiations to a successful conclusion. The two Presidents agreed that the major contributions in this field should be made by the developed countries. President Carter emphasized the determination of the United States to negotiate special and differential treatment for developing countries, where feasible and appropriate. He also noted the desirability of contributions by the developing countries towards trade liberalization. President Geisel expressed Brazil's readiness to contribute together with other countries, to the liberalization of world trade. The two Presidents agreed on the importance of reaching an understanding on codes on export subsidies, countervailing duties, safeguards and other policy mechanisms. They also agreed on the need for close consultations as the Geneva negotiations approach the final stage.

The two Presidents agreed that the Fifth Session of the Brazil-US Sub-Group on Trade will take place in Brasilia in May. The principal purpose of the session will be a bilateral examination of the substantive issues existing in the current phase of the Multilateral Trade Negotiations.

The two Presidents strongly endorsed the role of international financial institutions such as the World Bank and the Inter-American Development Bank. In this connection they reviewed the various measures taken in the past year and agreed on the importance of an increased level of funding of these institutions. The two Presidents emphasized the importance of the contributions of the developed as well as of the developing countries to these institutions, and also noted and welcomed the expanding efforts among the developing countries themselves to strengthen mutual cooperation in support of their development. They noted with satisfaction the efforts made to create a group for economic cooperation in the Caribbean.

The two Presidents agreed on the importance of stabilizing commodity prices at levels acceptable to producers and consumers and of the role which well-designed funding arrangements can play in relation to commodity price stabilization agreements.

Both Presidents stated that they would continue their support for the close working relationships that have been established between the economic and financial authorities of the two countries.

The two Presidents discussed their common interest in reducing dependence on imported oil and reviewed their countries' programs in energy research and development. They agreed to establish a program of cooperation that would emphasize both nations' areas of advanced expertise and ensure a two-way flow of benefits: in coal mining, processing and conversion, the production of alcohol from sugar and other agricultural products and industrial and transportation energy conservation. This agreement will be followed by meetings of experts to design specific cooperative programs including the possibility of joint funding of such programs.

The two Presidents also noted the world agricultural situation and agreed that the United States and Brazil, as the world's leading exporters of agricultural products, can make an important contribution to easing world problems in this field. They decided to establish, under the Memorandum of Understanding [Concerning Consultations on Matters of Mutual Interest] of February 21, 1976, a Sub-Group on Agriculture. The Sub-Group will address problems of mutual interest and will hold its initial meeting in the near future.

The two Presidents also noted that the shared experiences which derive from private sector, professional, cultural and educational exchanges constitute a valuable base of lasting friendship and mutual understanding between the two countries. The two Presidents specifically noted the celebration last year of the Twentieth Anniversary of the Bilateral Fulbright Exchange Program which has involved university scholars of a wide variety of disciplines.

The two Presidents emphasized the shared goals of their peoples in a new era of peace and progress which will contribute to a more just economic relationship between North and South, promote increased economic security for all countries, assure a better quality of life for all peoples, provide a more equitable sharing of the benefits of growth, and encourage more rapid national development.

The two Presidents agreed on the importance of frequent consultations and close cooperation between the two Governments. They agreed that the mechanisms and procedures of consultation established under the Memorandum of Understanding of February 21, 1976, should continue to be used and instructed their Foreign Ministers accordingly. The two Presidents expressed their intention to continue in close personal communication so as to permit their direct and prompt address to matters of special interest to their two countries.

The two Presidents expressed their great personal satisfaction that their conversations, conducted in an atmosphere of friendship and

mutual respect, had resulted in a very useful, comprehensive and mutually beneficial exchange of views on a wide range of multilateral and bilateral issues, and a full appreciation of each other's views.

Upon ending their visit, President and Mrs. Carter thanked President and Mrs. Geisel for the cordial hospitality offered to them by the Brazilian people and government.

REMARKS AT THE NATIONAL ARTS THEATRE, LAGOS, APR. 1⁶

I come from a great nation to visit a great nation. When my voice speaks words, they are not the words of a personal person but the words of a country.

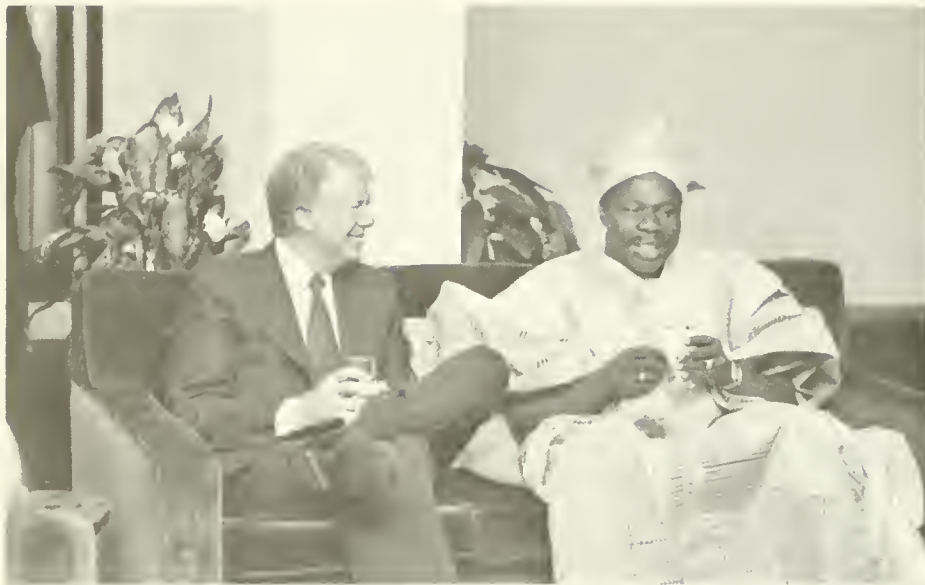
It is no coincidence that I come here to this institute, where free and open discussions and debate contribute to the comprehension and understanding and the reaching of agreements that solve problems that have separated people one from another.

It is no coincidence that I come to Nigeria to talk about our bilateral relationships and the problems of Africa. And it is no coincidence that our nation has now turned in an unprecedented way toward Africa—not to give you our services but to share with you a common future, combining our strengths and yours, correcting our weaknesses and correcting yours. And this departure from past aloofness by the United States is not just a personal commitment of my own, but I represent the deep feelings and the deep interest of all the people of my country.

I'm proud and deeply moved to be the first American President to make an official visit to your country. And I'm especially grateful for the warmth and the generosity of my reception by the Government and by the people of Nigeria. I don't know who's doing the work, but many Nigerians are standing beside the roadway to make me and my family feel welcome, and I thank you for it.

During my first year as President of the United States, I've been pleased to work closely with General Obasanjo, learning from him and from other African leaders. Our cooperation has had a special meaning for me, since Africa has been so much in my thoughts during the past 15 months.

Our countries have much in common. Nigeria and the United States are vast and diverse nations seeking to use our great resources for the benefit of all our people. That's the



With Lt. Gen. Obasanjo in Lagos

way it is now; that's the way it will continue to be in the future.

Americans admire the energy, the wisdom, the hard work, the sense of optimism of the Nigerian people, for these are exactly the same qualities which we admire in my country. The Nigerian Government has shown these qualities in your own national accomplishments and in your efforts for worldwide peace and economic progress—in the Organization of African Unity, in the United Nations, and in other councils where nations seek common ground so as to resolve differences and to work together.

We admire also the humane and the creative way which Nigeria has come through a divisive time in your own history. Through public debate and far-reaching planning, you are designing a democratic future for a new "One Nigeria," and we're grateful and excited about this prospect.

Our bonds of friendship go back many years. Nigerian students first came to the United States in the 19th century. Your first President, Nnamdi Azikiwe, studied in our country. In applying to Lincoln University, he wrote that he believed in education for service and service for humanity. Tens of thousands of young Nigerians have followed him to America to prepare themselves for service here in their homeland. Many are present or future teachers who will help you achieve your goal of universal primary education.

We in the United States are learning from you as well, for we are enriched by our ties and heritage in Africa, just as we hope to contribute to

the realization of African hopes and African expectations.

Our nations and our continents are bound together by strong ties that we inherit from our histories. We also share three basic commitments to the future of Africa.

- We share with you a commitment to majority rule and individual human rights.
- In order to meet the basic needs of the people, we share with you a commitment to economic growth and to human development.
- We share with you a commitment to an Africa that is at peace, free from colonialism, free from racism, free from military interference by outside nations, and free from the inevitable conflicts that can come when the integrity of national boundaries are not respected. We share these things with you as well.

These three common commitments shape our attitude toward your continent.

Majority Rule

You have been among the leaders of international efforts to bring the principles of majority rule and individual rights into reality in southern Africa. During the past year, we've worked closely with your government and the other front-line states in the quest to achieve these goals in Namibia and in Zimbabwe.

Namibia. Our efforts have now reached a critical stage. On Namibia, there has been some progress, with

the parties showing some degree of flexibility. It is important that accommodation be now reached. Last past week, we and the other Western members of the U.N. Security Council have presented to the disputing parties our proposals for an internationally acceptable agreement based on free elections.

These proposals provide the hope for a fair and peaceful solution that will bring independence to Namibia in a manner consistent with Security Council Resolution 385. No group is favored at the expense of another. They protect the rights of all. They should be accepted without further delay. The tragic assassination [on March 27, 1978] of Chief Kapunga [President of the Democratic Turnhalle Alliance, a Namibian political party] should not lead to an era of violence and recrimination, but to an internationally supervised choice by the people of Namibia to elect leadership that will unite their country in peace and not divide it in war.

Southern Rhodesia. On Rhodesia or Zimbabwe, Great Britain and the United States have put forward a plan for the solution,⁷ based on three fundamental principles:

- First, fair and free elections;
- Secondly, an irreversible transition to genuine majority rule and independence; and
- Third, respect for the individual rights of all the citizens of an independent Zimbabwe.

This plan provides the best basis for agreement. It is widely supported within the international community and by the Presidents of the front-line nations who surround Zimbabwe itself. Its principles must be honored. Let there be no question of the commitment of the United States to these principles or our determination to pursue a just settlement which brings a cease-fire and an internationally recognized legal government.

The present challenge to our diplomacy and to yours is to help all parties get together, based on an Anglo-American plan, and build areas of agreement. Only a fair arrangement with broad support among the parties can endure.

The transition to independence of new Zimbabwe must insure an opportunity for all parties to compete in a democratic process on an equal footing. The past must lead irrevocably to majority rule and a future in which the rights of each citizen of Zimbabwe are protected, regardless of tribal or ethnic origin or race. That

nation's position. We will not defer from it.

The hour is late with regard both to babwe and to Namibia. The parties must choose. They can choose a path of agreement and be remembered as men of vision and courage who created new nations, born in peace. They can insist on rigid postures and will produce new political complications, generating new conflicts, bringing additional bloodshed, and delaying the fulfillment of their hopes. We in the United States remain committed, as do the people of Nigeria, to the path of genuine progress and fairness for the sake of all nations of the region and for the sake of international peace.

South Africa. In the name of justice, we also believe that South African society should and can be transformed progressively and peacefully. We assured respect for the rights of all. We've made it clear to South Africa that the nature of our relations depend on whether there is progress toward full participation for all people, in every respect of the political and economic life of the nation, and an end to discrimination, an end to apartheid based on race or ethnic origin. We stand firm in that message as well.

I grew up in a society struggling to achieve racial harmony through racial justice. Though our problems were different, I know that progress can be found if the determination to right wrongs is matched by an understanding that the prisoners of injustice include the privileged as well as the powerless.

I believe we should therefore combine our determination to support the rights of the oppressed people in South Africa with a willingness to lend out our hands to the white minority if they decide to transform their society and to do away with apartheid and the crippling burdens of past injustices. I also believe that progress can be made. As Andrew Young said here in Lagos last August, a belief in dreams for the future is not naive if we are ready to work to realize those dreams.

Human Rights

Our concern for human rights extends throughout this continent and throughout the world. Whatever the ideology or the power or the race of a government that abuses the rights of people, we oppose those abuses.

We in America welcome the real progress in human rights that is being

made in many countries, in Africa as well as in other regions. Americans were particularly encouraged that the African group at the U.N. Human Rights Commission moved this year to consider the oppressive policies of two of its own member nations.

We are encouraged, too, by the movement toward democracy being made by many nations. Nigeria is an outstanding example. The free and fair elections that you held in the past year leave no doubt that your government is determined to pursue its decision to establish civilian rule in 1979. This action will be an inspiration to all those in the world who love democracy and who love freedom. And we congratulate you on this.

Each country must, of course, adapt the instruments of democracy to fit its own particular needs, a process now being completed by your constituent assembly. The basic elements are participation by individuals in the decisions that affect their lives, respect for civil liberties through the rule of law, and thus, protection of the dignity of all men and women. Wherever these fundamental principles exist, a government can accommodate to necessary change without breaking, and its people can demand such change without being broken.

These principles are necessary for democracy, and they sustain development as well. For in a democracy, the people themselves can best insure that their government will promote their economic rights, as well as their political and civil liberties.

I believe, as I know you do as well, that every person also has a right to education, to health care, to nutrition, to shelter, to food, and to employment. These are the foundations on which men and women can build better lives.

Economic Development

This is our second great, common goal between the United States and Nigeria—human development made possible by fair and equitable economic progress.

My country is ready to do its fair share in support of African development, both because it's in our own interest and also because it's right. More and more, the economic well-being of Americans depends on the growth of the developing nations here in Africa and in other parts of the world. A good example is our relationship with Nigeria, which is marked by respect for each other's

independence and a growing recognition of our interdependence.

Nigeria, for instance, is the United States' second largest supplier of imported crude oil. The United States is the largest market for Nigeria's petroleum and thus the largest source of the revenue which is so vital to Nigeria's dynamic, economic development program.

But the scope of our commerce is much broader than in petroleum alone. Our growing trade serves the interests of both countries. When we purchase Nigerian products, we contribute to Nigerian development. But unless we can also share our technology and share our productive capacity with you, our own economy slows down, American workers lose their jobs, and the resulting economic sluggishness means that we can buy less from you.

Financial encouragement to developing nations is, therefore, in our interest, because a world of prosperous, developing economies is a world in which America's economy can prosper.

We are increasing our bilateral development assistance to Africa, and on my return to Washington, I will recommend to the Congress that the United States contribute \$125 million to the second replenishment of the African Development Fund. I'm happy to announce, also, that just before leaving Washington, I authorized our [U.S. Army] Corps of Engineers to offer to participate, as requested by you, in the comprehensive development of the Niger River system.

We are giving new priority to cooperating in international efforts to improve health around the world. We would like to study with you how we can best work with Nigeria and other nations of Africa to deal with the killing and the crippling diseases that still afflict this continent.

Three days ago I spoke in Caracas, Venezuela, about our commitment to international economic growth and equity. All of us can gain if we act fairly toward one another. Nigeria acted on this principle in helping to negotiate the Lome convention and the birth of the Economic Community of West African States.

All nations can act on this principle by making world trade increasingly free and fair. Private investment can help, under arrangements benefiting both the investors and also the host countries like your own. And sharing technology can make a crucial difference. We are especially pleased that Nigeria is sending so many of your young people to the United States for



Conclusion of an evening's entertainment in Lagos

training in the middle-level technical skills.

There must be fair international agreements on such issues as stabilizing commodity prices, the creation of a common fund, and relieving the debt burden of the poorest nations.

Every government has the obligation to promote economic justice within its own nation, as well as among nations. American development assistance will go increasingly to those areas where it can make the greatest contribution to the economic rights of the poor.

Peace in Africa

Progress toward economic development requires the pursuit of our third goal as well—again which we share with you—a peaceful Africa, free of military intervention, for economic progress is best pursued in times of peace. Africans themselves can best find peaceful answers to African disputes through the Organization of African Unity and, when needed, with the help of the United Nations.

We support your efforts to strengthen the peacemaking role of the Organization of African Unity,

and we share Nigeria's belief in the practical contributions the United Nations can make. U.N. peacekeeping forces are already, today, playing a crucial role in the Middle East. They can help bring independence and majority rule, in peace, to Namibia and to Zimbabwe.

The military intervention of outside powers or their proxies in such disputes too often makes local conflicts even more complicated and dangerous and opens the door to a new form of domination or colonialism. We oppose such intervention by outside military forces. We must not allow great power rivalries to destroy our hopes for an Africa at peace.

This is one reason we applaud the leading role of Nigeria in seeking to find peaceful solutions to such tragedies as the recent struggle between Ethiopia and Somalia in the Horn of Africa.

We are concerned that foreign troops are already planning for military action inside Ethiopia against the Eritreans, which will result in greatly increased bloodshed among those unfortunate peoples. Although I will remain careful to see that our friends are not put at a disadvantage, I am working to curb our own role as a

supplier of arms, and we urge of to show similar restraint.

We prefer to seek good relations with African and other nations through the works of peace, not America's contribution will be to and development and not to destruction.

Plainly, military restraint by nations, including those who weapons, actively seek that restraint. We would welcome and support voluntary regional agreements among African leaders to reduce purchase of weapons as a major step toward peace and away from the economic deprivation of the poor, the badly needed money that could give them a better life goes to purchase weapons to take lives.

I've talked about many subjects this afternoon, very briefly, but one way or another, I've been talking about change in the world that we share. Sometimes we grow impatient or cynical about that change, thinking that it's too slow, that it may never come at all.

I know something about social change. In my own lifetime, I've seen the region of my birth—the southern part of the United States—change from a place of poverty and despair and racial division to a land of promise and opportunity and increasing racial harmony. I've seen the towering wall between the races taken down, piece by piece, until the whites and the blacks of my country could reach across it to each other.

I know that our own society is different from any other, and I know that we still have much to do in the United States. But nothing can shake my faith that in every part of the world, peaceful change can come and bless the lives of human beings. Nothing can make me doubt that this continent will win its struggle for freedom—freedom from racism, the denial of human rights, freedom from want and suffering, and freedom from the destruction of war and foreign intervention.

Nigeria is a great and influential nation, a regional and an international leader. We stand by you in your work. We know that Africans will always take the lead in shaping the destiny of your own people. And we know that this continent will enjoy the liberation that can come to those who put racial division and injustice behind them.

I believe that this day is coming for Africa. And on that day, blacks and whites alike will be able to say, the words of a great man from

State, Dr. Martin Luther King, "Free at last, free at last, thank Almighty, we are free at last."

QUESTION-AND-ANSWER SESSION, LAGOS, P. 28

Q. Is there any connection between your public position on southern African policy and how you take your votes at the Security Council on southern Africa?

A. We have, as you know, only recently as a nation been deeply involved in trying to bring peace to southern Africa. We have taken the initiative, along with the British, in Zimbabwe, to try to bring out a resolution of those very serious problems—peace, majority rule, and ending of the liberation forces as a threat in the future security of Zimbabwe. And we have also taken the initiative, along with Germany and France, Great Britain and Canada, and the United Nations, to bring a resolution of the problem in Namibia—again, majority rule, free elections, the right of the blacks to have their rights honored.

I think that is accurate to say, too, that the recent action by the United Nations to implement an arms embargo against South Africa was preceded by our own unilateral action in implementing an arms embargo long before the United Nations acted, and with support that arms embargo completely.

Q. Can you tell us if you talked about the oil situation and the fact that Nigeria wants more technology from the United States?

A. Yes. We discussed the oil situation in Nigeria. We also discussed the prospect of purchasing liquefied natural gas, which Nigeria will be ready to produce by 1983, and the need of Nigeria for technical assistance not only in petroleum but in other aspects of economic development.

There are now, as I said in my speech yesterday, 15,000 Nigerian students and, in addition, 1,000 more who are getting specific middle-level technical training in the United States. Five hundred are already here, 500 more are coming. In addition, the Nigerians have requested technical assistance—retired executives from the United States who have knowledge in economic development in petroleum to come here to work with them. And we will pursue that through the Secretary of State. The Eximbank loans, the Overseas

Private Investment Corporation (OPIC) insurance, which I think we now have 31 applicants who are ready to come into Nigeria to make investments—this will be expedited.

In addition, we have established, after General Obasanjo's visit to the United States in October, detailed discussions between our own Commerce Department and other officials and the Nigerians on how we can increase investment and technical assistance for Nigeria.

It is a very good country in which to invest. There is a stable government with a prospect of constitutional government that will be equally stable. I think the past problems with American investors have now been overcome. I know that several major companies—Ford, Mack Truck, Bechtel, and others—are now coming into Nigeria to invest. So, I would guess that all the needs of Nigeria—technical assistance and development—will be met.

Q. Did the General ask you to take stronger action toward South Africa and Rhodesia, perhaps more embargoes?

A. I think the General would be more inclined to take additional embargo action against South Africa than would we. As I have said, we have cooperated in the U.N. actions, and even before the U.N. action, we took unilateral steps to declare a complete arms embargo against South Africa.

Q. What specific areas of bilateral cooperation would you like between your country and Nigeria on any issue or on any important project to use for this important visit?

A. We have got now four committees set up, one for the development of Nigerian agriculture. This is a joint effort where we help Nigeria and we learn in the process. Another one of the subcommittees is on education. And we have always had, for many years, a very good relationship here. We want to improve it.

Another one is in economic development. I mentioned that we have 31 applicants right now of American business investments that are waiting to be made in Nigeria. And the fourth one is technical assistance, where we will provide technical training in the United States and send technicians here who are expert to help with the future development of the Nigerian economy.

These efforts are all very fruitful, and they will be better in the future. We have decided, for instance, this

morning, that the joint study commission that was set up last October, that already met in Nigeria in November, will have another meeting in the United States in April—this month, the last of this month—will make a report to me and to General Obasanjo by the end of May to identify any remaining problems, so that he and I can personally resolve those problems and remove the obstacles to the further economic development, on a joint basis, between our country and Nigeria.

Q. You said the General would be more inclined to have stronger embargoes. Did he urge you to do anything that your Administration is not doing now to take steps in other areas in support of the change in South Africa?

A. Yes. We have had a very thorough discussion not only between myself and General Obasanjo and his Ministers (Foreign), but yesterday we had a foreign-level discussion with other nations, including the front-line countries around Rhodesia.

We now will move as quickly as possible to call together the parties who are in dispute concerning Zimbabwe, those who are identified as a patriotic front, the front-line nations who surround Rhodesia, and also the parties to the internal settlement—Smith, Muzorewa, Sithole, and Chirau.⁹

We will begin now to explore the earliest date when this might be accomplished. We and the British will act as hosts and we will, of course, encourage U.N. participation as well.

In the case of Namibia, the five-nation group operating as a committee of the U.N. Security Council—these are the permanent committee members in the Security Council that I have named earlier, the Western members—will contact the South Africans to put forward our proposal and also to contact the SWAPO leaders.

The front-line presidents, then the Nigerian leaders will be in contact with Sam Nujoma, who is head of the SWAPO group. So in these two major areas of dispute—Zimbabwe and Namibia—we will expedite our action at the urging of and with the cooperation of the Nigerian officials.

In the case of the Horn of Africa, Nigeria has long played a leading role, has been chairman of the subcommittee—under the Organization of African Unity—for the Horn of Africa, and they have begun now to make attempts to get the Ethiopians and the Somalians to meet, to

make permanent the peace that has been established in recent weeks, in recent days.

We also hope that there will be an avoidance of bloodshed as it relates to the Eritreans. So I think in these three major areas, we have reached a common purpose. And so far as I know, there are no remaining differences between myself and General Obasanjo.

Q. At what level will this Rhodesian meeting be?

A. At the Foreign Secretary level. The plans are that Secretary Vance and, perhaps, David Owen from Britain would be present and in person.

Q. Did you reach an agreement with General Obasanjo about stabilizing the dollar?

A. I wish that General Obasanjo and I could act on a bilateral basis to completely stabilize the dollar. The dollar is a very sound currency. It is based primarily upon the economy of the United States, which is strong, growing stronger.

There are several factors that will tend to increase the value of the dollar this year. Our imports of oil will be level this year. They were increasing rapidly last year, which was a bad factor last year. The interest rates in our country are higher now than they were before, which will encourage additional investment in our country which will also help the dollar.

We need very urgently to have the Congress of the United States act on my proposals concerning the comprehensive energy policy. This will stabilize the dollar, and the prospects for that success in the Congress are good. And I believe that there is a general feeling that our economy will continue to grow at about the same rate that it did last year.

Last year, we were growing much faster than our major trading partners: Germany, Great Britain, Italy, France, Japan, and others. This year those other nations will have a faster growth, which means that they can buy more of our goods and cut down on our adverse balance of payments. So for all these reasons and others that I could describe, I think the prospects for a stable dollar are very good.

Q. Did you discuss human rights and any specifics at all and, particularly, did you discuss Uganda and Idi Amin in regards to human rights?

A. We did not discuss Uganda. I

did mention in my speech yesterday my gratitude that the Organization of African Unity has shown fit not only to condemn white nations when they deprive persons of human rights, but also condemn black leaders, as well, where human rights are abridged.

We did discuss the question of human rights. There is no difference, of course, between our governments—Nigeria and the United States—because we recognize that within our own countries, we have made every effort to enhance human rights. I think political oppressions and the right of people to participate in their government is one that has good prospects of even greater improvement in the future.

We also discussed the problem of human rights that accrue because of poverty—deprived of a right of a place to live and to adequate food and clothing and education and health care. And through our own contributions to the African Development Bank; our own contributions to the International Monetary Fund, the World Bank; through direct bilateral aid, which primarily goes to the very poor countries; and through increased trade and technical service to countries that have had good success, like Nigeria, we are trying to alleviate those human rights and deprivations that come from poverty.

We have a very close relationship in our commitment to human rights between ourselves and the Nigerians, and also we have a very good, permanent personal friendship between myself, General Obasanjo, and other leaders of our government, which is very helpful to us.

We have benefited just as much in the United States from our good relationships with Nigeria as have the Nigerians, and although it has been very good historically and at the present time, we believe that those relations are going to be even better than in the years to come.

JOINT U.S.-NIGERIA COMMUNIQUE, LAGOS, APR. 2¹⁰

At the invitation of His Excellency Lt. General Olusegun Obasanjo, Head of the Federal Military Government, Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria, the President of the United States of America, His Excellency Jimmy Carter, and Mrs. Carter paid a State Visit to Nigeria from 31st March to 3rd April, 1978. This visit reciprocated the visit to the United States of America by the Head of the Federal Military

Government from 11th to 13th October. It was the first State Visit by an American President to sub-Saharan Africa, providing President Carter an opportunity to witness firsthand the aspirations, achievements and problems of contemporary Africa.

In the course of the visit, the two Heads of State met in plenary sessions during which they discussed bilateral and international issues.

President Carter and his host, Lt. General Obasanjo, examined extensively the current state of affairs in the African region and devoted particular attention to the situation in Southern Africa.

They were fully agreed on the need for peace and stability in Africa and expressed hope that a spirit of reconciliation will prevail in those areas of North-West Africa and the Horn of Africa that are still victims of fraternal conflicts.

President Carter expressed satisfaction with Nigeria's efforts in its capacity as Chairman of the OAU Good Offices Commission to restore peace between Ethiopia and Somalia. It was agreed that Nigeria should persevere in its efforts to get the parties in the dispute to negotiate a mutually acceptable and durable solution. With the fighting in the Horn of Africa now ended, the two leaders expressed the hope that the remaining problems in that region will be settled by peaceful means.

On Zimbabwe, the two Heads of State pressed support for the Anglo-American proposal and reiterated their conviction that, under the present circumstances, only a settlement which is based on its principles can bring about racial harmony, prosperity and just lasting peace in Zimbabwe. The two Heads of State agreed that the arrangements made under the Salisbury Agreement of March 3 do not change the illegal character of the present regime and are unacceptable as they do not guarantee a genuine transfer of power to the majority nor take into consideration the views of all the Zimbabwean nationalist groups.

The situation in Namibia was also carefully examined. Lt. General Obasanjo emphasized his Government's full support for SWAPO and the authentic leaders of the people in their struggle for the genuine independence of Namibia, with its unity, sovereignty and territorial integrity fully [sic] guaranteed. President Carter stressed the need for a settlement of the Namibian issue which would guarantee that all political groups would have an equal and fair opportunity to compete in free elections which the people of Namibia would make their own choice about their future government. The two leaders agreed that it is essential for peace and security of Africa that Namibia achieve its independence on the basis of United Nations Security Council Resolution 385.

They reviewed the current efforts of the Five Power Western Contact Group and discussed the settlement proposal which the

developed as a means to a prompt and full transition to genuine majority rule in Biafra.

The two Heads of State renewed their condemnation of the evil and oppressive system of apartheid in South Africa. They pledged their efforts to work towards the elimination of this system and the establishment of justice, equality and human dignity for all races in Africa within a free society where all men will exercise their democratic rights to a government of their choice. They appealed to all States to do their part towards the attainment of this objective.

Nigerian Head of State, Lt. General Obasanjo, expressed his Government's strong disappointment at the lack of impact of the concrete proposals put forward in the past to eradicate the obnoxious system of apartheid. This he ascribed to the inadequacy of measures adopted as well as the lack of real will on the part of Nations called upon to implement these measures. He noted that some of these Nations have pursued policies of outright collaboration with South Africa, in both military and economic matters. However, the Head of State re-emphasized his Government's determination to continue to exert all possible political and material support to nationalist liberation movements in Africa, to ensure an early end of the racial minority domination.

President Carter and Lt. General Obasanjo discussed the intention of the United States of America and the Federal Republic of Nigeria, members of the Security Council, to work actively in the Council in the interest of strengthening international peace and security. He expressed particular approval of the Security Council's prompt action in establishing the United Nations Interim Force in Lebanon and their full co-operation to achieve the objectives of the mandate granted by the Security Council.

The two Heads of State exchanged views concerning the situation in the Middle East and deplored the recent violence which occurred in that area. They agreed that it is necessary and urgent to intensify efforts to have a just, comprehensive and durable settlement based on United Nations Security Council resolutions 242 and 338. They stressed the importance of withdrawal on all fronts pursuant to Resolution 242 and the resolution of all aspects of the Palestinian question.

The two Heads of State underscored their commitment to the principles of the United Nations Charter, particularly those concerning the importance of human rights in all countries. To this end they cited the importance of strengthening the human rights machinery of the United Nations.

In their review of the international economic situation, the two Heads of State stressed the urgent need for measures to secure a prosperous and equitable international economic order. The two leaders placed special emphasis on the importance of close consultations

between Nigeria and the United States in the North-South Economic Dialogue and in the work of the General Assembly. They agreed on the value of the United Nations Overview Committee dialogue in the enhancing an understanding of global issues of common concern and in promoting development cooperation. They appealed to all nations to strive vigorously for the achievement of the goals specified in the Seventh Special Session of the United Nations General Assembly, in particular with respect to issues of vital importance to the developing countries. In this regard, Lt. General Obasanjo invited attention to the slow pace of progress concerning the establishment of the Common Fund and alleviation of the debt problems of the developing countries. The two Heads of State agreed to cooperate in order to intensify action within the United Nations system towards finding solutions to the problem of global inflation.

The two leaders discussed the United Nations Special Session on Disarmament which opens in May of 1978. As leaders of countries which have played a significant role in United Nations disarmament matters, both Heads of State agreed that the session should provide a stimulus to further concrete disarmament efforts.

The two Heads of State expressed satisfaction at the progress that had been made in recent discussions between the two Governments on bilateral cooperation in economic, commercial and technical fields and agreed to further strengthen relations in these areas. Mutual efforts will be made to expand and diversify trade and development activities and to facilitate investment in areas of key importance to Nigeria's economic growth. For this purpose the two leaders agreed to set up joint working groups on investment and trade, technology transfer, agriculture and rural development and education.

The President of the United States of America and Mrs. Carter expressed their profound appreciation to Lt. General Obasanjo, the Nigerian Government, and all the people of Nigeria for the gracious hospitality afforded to their party during their visit to Nigeria.

The President was impressed by the visible evidence of the pace of Nigerian economic progress and the vigorous and determined efforts being undertaken by the Federal Military Government to provide for the social and economic development of the people of Nigeria.

EXCHANGE OF REMARKS, WELCOMING CEREMONY, MONROVIA, APR. 3¹¹

President Tolbert

Just over 30 years ago, Mr. President, on January 27, 1943, another American President transited this land in connection with the victorious Al-

lied effort of World War II. Liberia's President Edwin James Barclay received President Franklin Delano Roosevelt at that time on an asphalt airstrip of 7,000 feet. In the intervening years, U.S.-Liberia cooperation has here afforded one of the most modern and expanding civil aviation facilities in West Africa, spanning a reinforced 11,000 feet.

And today, we are deeply honored to pay homage to America's first third-century President who has come in the larger pursuit of permanent peace, of human rights, and of economic justice in our one world; who has come in furtherance of continuing friendship and closer cooperation between the United States of America and the Republic of Liberia.

Standing here beneath the sunny expanse of Africa's skies, we most heartily salute you, Mr. President, Mrs. Carter, Amy, and members of your suite, and with intense warmth, embracingly welcome you on behalf of Mrs. Tolbert, our family, the Government and people of Liberia, to this land of love and liberty by God's command.

Mr. President, by your sincere leadership you are restoring to a weary world, particularly in the troubled Middle East and in Africa, refreshing new hopes of enterprise and prosperity, of liberty and morality.

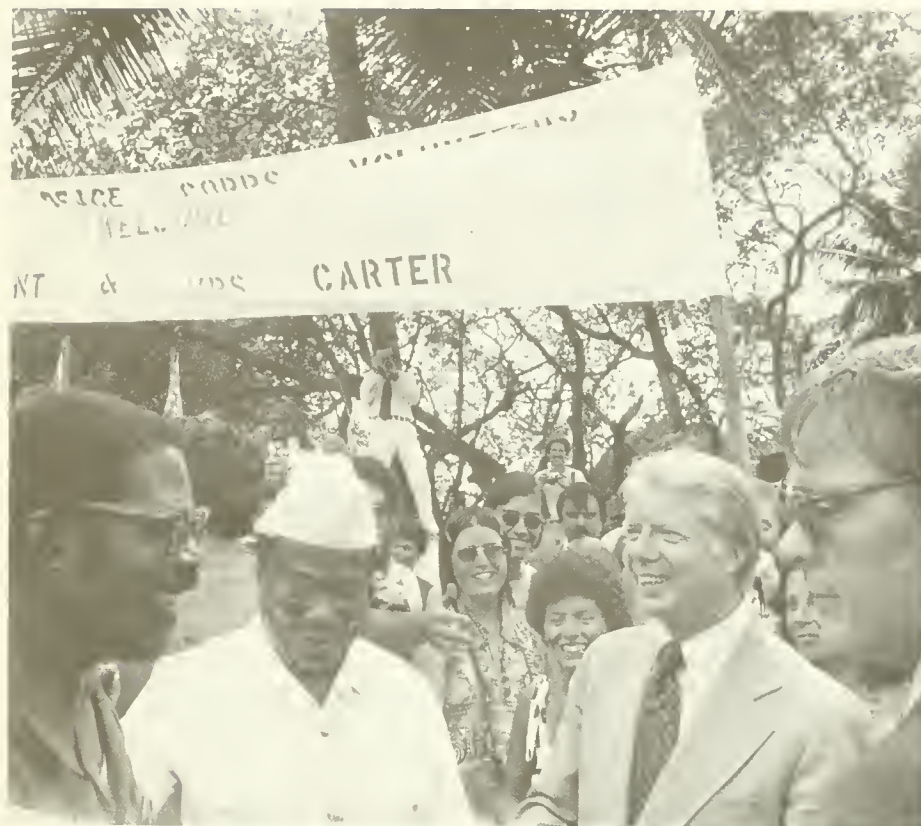
By your profound example, mankind is beginning to feel again, as Thomas Paine once articulated, I quote, "the power of America to create a happy world," and may I add, free from human oppression, free from human distinction.

By your vision and love, peoples and nations can once more rejoice that the United States still cares, that its actions resound of lasting verities.

Upon this continent where the majority of least developed countries can be found, nature's fury often fuels unyielding economic frustrations upon its people. On this continent where persist heinous repression and racism, hatred and injustice, human beings appealingly demand justice against human cruelty, against brutal violence, and against human indignity.

On this continent of contemporary intrigue and intransigence, bloody assassinations and fratricidal conflicts, armed proxy interventions and potential bigpower confrontations tend to postpone freedom and justice and the enjoyment of human rights. These further imperil the solemn pursuit of international peace and security.

In Africa, yea the world, we can



Presidents Tolbert and Carter with Peace Corps Volunteers in Monrovia

sense through your dynamic moral leadership, fresh evidences of positive change. This new momentum to enhance mankind was manifested again by your outstanding foreign policy address on Africa, recently delivered in Lagos, Nigeria, for which we heartily commend you. And we earnestly hope that all conditions, both political and economic, which contribute to permanent global reconciliation and lasting partnerships can be sturdily established in the coming years.

In 1943, Liberia stood with America, Mr. President, an unswerving friend and selfless ally, a developing democracy. We are confident today that with closer cooperation and more fulfilling creative U.S. policies and programs, Liberia can become a more brilliant star of democratic ideals in Africa, a more convincing showpiece of humanistic capitalism and progressive development.

Offering once more our hands in hearty welcome to you, Mr. President, Mrs. Carter, and your entourage, we affirm and pledge our best efforts with you in the global campaign of extending the frontiers of human liberty and advancing the

principles of genuine peace and stability.

We will remain one with you, Mr. President, in surmounting the tyranny of energy and in healing the injuries of economic uncertainties.

Ever steadfastly, we pledge our total resources with you in securing the victory we courageously seek over inequity and injustice, over ignorance, disease, and poverty, to the lasting benefit of our children's children and even endless future generations, throughout this our one world.

May Almighty God bless our endeavors and hasteningly bring peace to mankind everywhere.

President Carter

I am very happy to be here in Liberia, a country which is one of America's oldest friends, and to arrive at this historic airfield. During the Second World War, as President Tolbert has described, when it was known simply as Roberts Field, it was a vital link in the supply line to Europe and to North Africa in our common fight for freedom. Now, reborn as Roberts International Airport, with a new terminal recently opened,

it symbolizes the pride, the achievements, and the great potential of your nation.

Liberia was born out of mankind's eternal desire for freedom, and have achieved it here. The free people who came from America to this beautiful coastline in the 19th century were determined to build a society which reflected the dignity of their souls and their hope in the future. They joined here in Liberia with others who longed for a better life. These two streams united to form the first independent republic in Africa.

During the past century of colonialism, your independence was served, and now you can look back with pride on 130 years of uninterrupted independence and freedom which gives Liberia a respected status among the nations of the continent.

Franklin Roosevelt did stop here at the airport in 1943 to meet with President Barclay, but this is the first official state visit of an American President, and it is long overdue. The bonds between our two countries are too strong for such a long period to elapse again.

We have been very grateful to you for the honor I feel in arriving here and for the honor I feel in arriving here declaring today a national holiday. It's a national holiday in my heart as well.

Our friendly relationship is of great mutual advantage and exists on many levels—in the intertwining of our histories, in the democratic tradition established in our own Constitution and in the similarity in our forms of government. It exists in education, trade, and religion. It was perhaps most meaningful in what President Tolbert has called the war against ignorance, disease, and poverty.

The American people are proud to join Liberians in this effort through bilateral relationships between the two countries and in multilateral programs involving many countries. Our two governments agree that the relationship should be directed toward improving the basic conditions of life for the people who most need help.

In coming to Liberia, I am reaffirming a friendship that is very old but I am also drawing to a close a series of visits that reflect a world that is new. Less than three decades from now, four-fifths of all the world's people will live in Africa, Asia, and Latin America—in the societies of developing nations that I have visited this year.

Only three decades ago, many nations of these continents were largely colonies of foreign powers. Their rise to independence means a world in which we must treat each other as equals, and one of the purposes of my trips has been to demonstrate genuine respect my nation feels for its partners around the world and in opposition to the continuation or establishment of colonialism in any form whatsoever.

The world economy has changed, bringing the hope of economic improvement and justice to millions and making each of us far more dependent on the cooperation of our neighbors. If we create a world economy of fairness and growth, our mutual well-being will be insured. If we are shortsighted and let inequality, selfishness, and injustice persist, all will suffer.

Even the ideas that motivate mankind have been changing. The traditional rivalry between East and West continues, even as we try to reduce competition and expand the areas of potential cooperation.

But other visions, those of national identity, of self-determination, of racial equality, of the individual rights of all human beings, rise more and more to dominate the human horizon. This is indeed a new world, and I would like to reemphasize briefly the themes that dominate our vision of this new age.

Economic Justice. The first is economic justice, both among the nations of the world and for those within each nation who now lack the material requirements for a decent life.

Economic justice imposes a special obligation on nations like my own, which have resources to share with the interest of the world. This is a responsibility we intend to honor. But sustaining the world economy is ultimately a shared responsibility in which every nation must do its part.

Respect for Human Rights. The second element is a respect for human rights—the right to be treated properly by one's own government; to be able to participate in the decisions that affect one's own life; to have the basic human requirements of food, shelter, health, and education.

There is any development that has threatened me in my time as President, the extent to which the cause of human rights has taken its rightful



Liberian dancers

place on the agenda and in the conscience of the world. This is a cause that the United States and Liberia are proud to claim as our birthright. But we know that it is now spreading, not because of our efforts but because the times demand it.

Search for Peace. The third element on which all our other hopes eventually depend is a search for peace. My nation has now, as it has had for the last 30 years, a responsibility to work constantly for peace with its powerful rivals. But in this new age, the search for peace leads in other directions as well. It means relying on mutual conciliation, negotiation, discussion of even the most intractable and difficult international issues.

In this area your own President Tolbert's philosophy of conciliation and moderation has been an outstanding example. It marks him as a man with a profound understanding of human nature and a firm commitment to preventing potential conflicts through wise and just agreements.

We share with you a commitment to an Africa that is at peace, an Africa free from colonialism, an Africa free from racism, an Africa free from military interference by outside nations, and an Africa free from the inevitable conflicts that arise when the integrity of national boundaries is not respected.

And the search for peace means anticipating changes that must inevitably come, such as those in southern Africa, so that they can come peacefully, rather than with their pent-up tensions erupting into violence.

These are the goals America is pursuing, and I am looking forward to discussing them with one of Africa's leading statesmen, your own President Tolbert. His idealism, his determination, and his energy have won widespread admiration in Africa, in

America, and around the world. His recent statesman-like sponsorship of the reconciliation summit gathering of West African heads of state, here in Monrovia, has helped to inaugurate a new era of cooperation among these nations for the good of all.

Next year he will be hosting, and will become a major leader of, the Organization of African Unity here in Monrovia. He has worked tirelessly for national self-determination, racial justice, and a better life for all the people of the African Continent.

As we go now together to Monrovia, we will in a sense close the circle that has opened between our people more than a century and half ago. On behalf of the people of the great nation of the United States, I would like to say to the people of the great nation of Liberia, this is a journey which is a privilege for me to make. □

¹ Remarks by President Carter made on occasions during the trip other than those printed here are in the Weekly Compilations of Presidential Documents of Apr. 3 and 10, 1978.

² Text from Weekly Compilation of Presidential Documents of Apr. 3.

³ For text of address, see BULLETIN of May 9, 1977, p. 453.

⁴ List of U.S. officials accompanying the President omitted; for full text, see Weekly Compilation of Presidential Documents of Apr. 3.

⁵ Held in the Ballroom at the Hotel Nacional. It was broadcast live via satellite on radio and television in the United States. Several reporters spoke in Portuguese, and their questions were translated by an interpreter (for full text, see Weekly Compilation of Presidential Documents of Apr. 3).

⁶ Introductory paragraphs omitted; for full text, see Weekly Compilation of Presidential Documents of Apr. 10.

⁷ For text of proposals, see BULLETIN of Oct. 3, 1977, p. 417.

⁸ Held with reporters at the State House Marina (text from Weekly Compilation of Presidential Documents of Apr. 10).

⁹ Chief Jeremiah Chirau is head of the Zimbabwe United Peoples' Organization; Bishop Abel Muzorewa is head of the United African National Council; Reverend Ndabaningi Sithole is head of the African National Council/Sithole; Ian Smith is Prime Minister of the white regime in Southern Rhodesia. These individuals comprise the Rhodesian Executive Council which was established on Mar. 3, 1978, with a rotating chairmanship.

¹⁰ List of U.S. and Nigerian officials omitted; for full text, see Weekly Compilation of Presidential Documents of Apr. 10.

¹¹ Exchange of remarks was made at Roberts International Airport; text from Weekly Compilation of Presidential Documents of Apr. 10.

THE SECRETARY: Arms Control and National Security

I am delighted to have this opportunity to discuss with you an issue that is vital to this nation's security—the effort to slow down the dangerous and burdensome arms race through effective arms control.

This is an effort in which I deeply believe. My years in the Defense Department, my activities as a private citizen in studies of military issues, and my experience as Secretary of State have made one fact increasingly clear to me: A strong defense and effective arms control are not separate paths to national security; both are essential steps along the same path.

Our nation's safety continues to depend upon a strong, modern military defense capable of meeting the full spectrum of our military needs. We have had that strength in the past. We have it now. And we will maintain it.

Yet we cannot assure our security by military strength alone. New weapons systems acquired by one side stimulate the other side to develop more sophisticated countermeasures. The net effect is the expansion of weapons systems on both sides without real increase in the security of either.

As I have met with leaders around the world over the past year, I have found that many share this perception. They too cannot and will not allow their nations to become vulnerable to military threat. But they also recognize that the heavy burden of military competition diverts limited resources and energies from social and economic development on which peace also rests.

The effort to slow arms competition through mutual and balanced restraints has been a central element of this nation's security policy under the past seven American Presidents—Democratic and Republican.

• President Kennedy, building on the efforts of Presidents Truman and Eisenhower, concluded the first arms control agreement with the Soviet Union in 1963—halting nuclear weapons testing in the atmosphere and the contamination that entailed. Subsequently, we concluded agreements prohibiting nuclear and other weapons of mass destruction from the ocean floor and from outer space.

• The Nuclear Nonproliferation Treaty, concluded in 1968, is binding today on more than 100 nations.

Clearly, it has not ended the specter of nuclear proliferation, but it has significantly advanced that objective.

• Since first proposed by President Johnson, we have been engaged in broader Strategic Arms Limitation Talks (SALT). These negotiations succeeded, during the Nixon Administration, in severely restricting the deployment of antiballistic missile systems by either the United States or the Soviet Union. Such systems would

... arms control will not dramatically reduce our defense budget. The cost of an adequate defense will remain high. But the drain on our resources from an unrestricted arms race would be much greater.

have been costly to build and would have added new uncertainties into the strategic balance. SALT I also placed the first limits on the number of offensive weapons.

We are engaged today in a broader range of arms control negotiations than ever before in our history, because the opportunities we can grasp and the challenges we face are greater than ever before.

As we pursue these negotiations, we must be realistic about what effective arms control can—and cannot—do for our security. For if we judge arms control measures against unrealistic standards, we may lose the possibility of making any practical progress.

• No single arms control agreement will eliminate all, or even most, of the potential challenges against U.S. and allied forces. But by controlling the size, nature, and direction of arms programs on both sides, we can reduce the uncertainties that fuel the arms race.

• For the foreseeable future, arms control will not dramatically reduce our defense budget. The cost of an adequate defense will remain high. But the drain on our resources from an unrestricted arms race would be much greater.

• Arms control cannot by itself guarantee stability in the U.S.-Soviet relationship. We continue to compete,

because in many areas we have different interests and values. We need to be sanguine about Soviet power intentions, however, to recognize that inhabitants of the same planet who share awesome power, we have a common interest in reducing the serious risks to our survival.

• Arms control will not by itself solve the regional tensions that threaten peace. But by lessening the level of military confrontation and regulating the diffusion of new weapon technologies, we can encourage regional stability and free resources for the task of improving the human condition.

There are clear limits to what we should expect from arms control. But it is equally clear that arms control pursued in a deliberate and measured way, will contribute significantly to reducing the prospect of war. That is why I believe so strongly that our security is best protected by policies of strength in our national defense and by practical arms control agreements that limit the dangers to which we are exposed and always will, respond.

As President Carter said in his Wake Forest speech: "Arms control agreements are a major goal as instruments of our national security, but they will be possible only if we maintain appropriate military force levels."

SALT

Let me turn first to the Strategic Arms Limitation Talks with the Soviet Union.

Any SALT agreement must be measured against the yardstick of our national safety. It must clearly maintain or improve our overall security compared to the likely situation without an agreement. It must take full account of the interests of our allies as well as ourselves. And we must have confidence in our independent ability to verify adequately Soviet compliance with an agreement and to detect any effort, contrary to the agreement, that could leave us at a strategic disadvantage. We should not and we will not accept any agreement that does not meet these essential requirements.

We have made substantial progress over the past year toward such an agreement. Important differences remain. I will be meeting with

Soviet leaders later this month in an effort to narrow those remaining differences. I hope that we can reach an agreement in the near future. But we will continue to negotiate for as long as it takes to achieve a SALT agreement which enhances our security and that of our allies.

Let me explain what the agreement that we are seeking to negotiate would accomplish and how it would strengthen our security.

First, it would establish equal limits on both sides on the overall number of strategic missile launchers and strategic bombers. As you know, under the first SALT agreement the Soviets maintained greater numbers than the United States. Following that agreement, Congress called for any new agreement to be based on equal numbers. This agreement would firmly establish that principle.

Second, the agreement would reduce the number of strategic weapons below the level that the Soviets now have—and very much below what they could have without an agreement. It would require the Soviets to destroy several hundred weapons. We would not be required to destroy any weapons currently operational.

Third, the agreement would establish sublimits on those systems we see as most threatening and destabilizing, such as intercontinental ballistic missiles (ICBM's) equipped with MIRV'd [multiple independently-targetable reentry vehicles] warheads and on RV'd ballistic missiles more generally.

Fourth, we are trying to impose restraints on the improvement of existing weapons and the development of new and more sophisticated systems.

Fifth, the agreement we are negotiating would permit the United States to preserve essential options for modernizing our forces. Specifically, it would allow us to continue our major development programs, such as the cruise and MX missiles and Trident program.

Sixth, it would protect the interests of our allies. Mindful of the relationship between strategic arms negotiations and our security commitments in NATO, we have consulted closely with our allies at each step of the negotiations, and we will continue to do so.

Finally, we are insisting on an agreement which is independently and satisfactorily verifiable. Our ability to verify must have sufficient reliability to deter and to deal with possible vio-

lations before they have a significant effect on the strategic balance. We must be able to assure ourselves that the Soviets are living up to their commitments.

We and the Soviets both know the kind of terrible destruction that would result from a nuclear war. We both know that each will ultimately match the other if the race continues.

Therefore, despite the fact that we are both intently pursuing our own self-interests—despite fundamental differences that exist between us—we hope to be able to find common ground for limiting our most destructive weapons. The essence of this negotiation is mutuality of benefits. An arrangement which benefits one side at the expense of the other cannot be agreed on.

Failure to achieve an equitable agreement could result in new weapons programs on both sides, with a corresponding increase in costs of several billion dollars a year but with no more, and probably less, security. This Administration is prepared to pay the extra price of maintaining our security. I am convinced that the Congress and the American people are prepared to pay that price. But an effective SALT agreement can assist us in maintaining the strategic balance at reduced levels of cost and risk.

Antisatellite Arms Control

Along with SALT, there are numerous other aspects to the military competition which must be addressed. An

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expansion of the arms race to space would undermine our security as well as that of other nations. Evidence that the Soviet Union is developing an antisatellite capability is disturbing. We are prepared to protect ourselves against such a threat and to match the Soviets if necessary. But a far preferable course is to prevent an antisatellite race from occurring.

While there are many problems in devising effective and verifiable limits, there is an area for arms control here too. We have proposed talks with the Soviets aimed at suspending an-

tisatellite testing and keeping space open for free and peaceful use by all. I can confirm today that the Soviet Union has recently accepted our proposal, and talks will begin next month.

Comprehensive Test Ban

We are also engaged with the British and Soviet Governments in negotiations for a comprehensive ban on nuclear testing. These talks have made some progress, although problems remain. Achievement of such a ban would reduce the likelihood of further nuclear proliferation by demonstrating the seriousness of the nuclear weapons powers in accepting restraints on their own activities.

We are committed to seeking such a treaty. It must be adequately verifiable. And we will assure that we maintain confidence in the reliability of our nuclear warheads.

Arms Control in Europe

Just as we are negotiating for agreements that can further allied security in the area of strategic weapons, so too the mutual and balanced force reduction talks in Vienna are intended to enhance our mutual security in the European theater. In recent years, the Soviets and other Warsaw Pact countries have built up their forces and materiel to the point where the regional balance has become of increasing concern to ourselves and our allies.

Our central goal in the Vienna talks is to codify the principles of parity and collectivity of forces in central Europe. We and the NATO allies have made clear to the Soviet Union that we will only accept an agreement which enhances the security of the region.

These talks have moved extremely slowly. It is important that we work toward an agreement in this area, however, even as we negotiate on SALT. We and our allies will soon be making a new effort to get the talks moving more productively. It is time for the Warsaw Pact nations, through meaningful actions, to help move these talks forward.

While seeking progress in these talks, we have also made a firm commitment to the modernization and strengthening of NATO forces, and we are taking concrete steps to that end. The United States has sharply increased the emphasis on NATO defense in our current budget. Along with our allies, we are introducing new tactical aircraft, new generations of armored vehicles, and new precision-guided munitions. NATO

leaders will be meeting in Washington in May, and one of the principal topics will be a long-term program to improve alliance defense.

As you know, the President, after having consulted our allies and with their full backing, has deferred production of weapons with enhanced radiation effects. He has ordered the modernization of the Lance missile nuclear warhead and the 8-inch weapons system, keeping open the option of later deciding to install the enhanced radiation elements. His ultimate decision will be influenced, as he has said, "... by the degree to which the Soviet Union shows restraint in its conventional and nuclear arms programs and force deployments affecting the security of the United States and Western Europe."

The Global Dimension

Another threat to the peace lies in the growth and spread of arms around the world.

In the long run, the peaceful settlement of regional disputes is the surest way to reduce the demand for arms. We will continue our efforts to help find lasting solutions to such disputes. And we will continue to press for restraint on the part of the great powers so that local conflicts are not exacerbated. But we must also seek restraint in the growth of arms.

First, in addition to our efforts to halt further nuclear proliferation through a comprehensive test ban, we have begun to investigate new technologies and examine new institutional arrangements that will enable the nations of the world to harness nuclear energy without spreading the most deadly instruments of war.

Second, we are giving new emphasis to controlling the international traffic in conventional arms. We will continue to make arms transfers to advance our own security and that of our friends, but at the same time, we are beginning to check the flow of our own arms exports.

Because we recognize that slowing down conventional arms races cannot be achieved by the United States alone, we are discussing possible multilateral measures with other arms suppliers, and we are encouraging the purchasing nations to adopt regional agreements that limit arms competition.

I am pleased to be able to state today that the Soviet Union has agreed to proceed with our talks on restraint of conventional sales. This is an important step in our efforts to

bring about a serious international discussion on multilateral restraint.

Third, we are seeking to limit and control the spread and the use of new weapons systems whose impact on civilian populations is particularly deadly. Biological, chemical, and environmental weapons treaties have been or are being negotiated. The indiscriminate and random character of

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many weapons in these categories is so great that virtually all nations agree they should be forsworn forever as instruments of war.

Fourth, we are seeking to prevent arms competition and major power rivalry from spreading to areas largely free of them in the past. We have launched new negotiations with the Soviet Union to avert an arms race in the Indian Ocean. Our objective is first to stabilize the military presence of both sides at the levels which prevailed until recent months and then to consider possible reductions. The buildup in Soviet naval forces in the area, however, is of deep concern, and we will not accept an increased Soviet naval presence as part of such an agreement.

Conclusion

Each of the arms control efforts I have discussed is devoted to increasing the safety and well-being of Americans and individuals everywhere.

Military competition today is carried out in highly technical terms, and military judgments must often be made based on complex calculations. But we cannot let technical debates cloud the simple truths and common sense which must lie behind these calculations.

- We must maintain a military defense that is second to none. We have the human and physical resources, the knowledge, and the will to do so.

- We must also recognize that no nation gains, none is more secure when all continue to expend their resources on ever more devastating weapons. We all gain, we are all more secure when practical, equitable

agreements can be reached to limit the arms race.

This is a long-term process. We will work with others to further effort—in the talks between East and West, at the U.N. Special Session Disarmament opening in New York next month, and in other forums.

I have spoken to you today about arms control because you will play a crucial role in the coming months and years. Your opinions and explanations will help decide whether we maintain our sensible and historic policies seeking security through both arms control and a stable military equilibrium.

There are people in our country who have come to doubt the course—some because they expect too much of arms control measures, others because they believe too little can be achieved. Those who expect too much will be disillusioned when such agreements do not put an end to military competition. Those who believe such agreements are not worth pursuing seriously undervalue their returns.

I hope that you will bear in mind my basic message: that while the benefits of arms control are boundless, there are terribly important, practical advantages that our arms control measures can bring.

I ask each of you to consider the difference between a world with SALT agreement of the kind I have described and a world without such limitation on strategic weaponry—a world in which we have begun to stabilize in an acceptable balance of military relationship in Central Europe and one in which we have not; a world in which we are starting to head off a military competition in space—or to put some limits on the international flow of conventional arms—or to reduce the prospects for nuclear proliferation; and a world in which we fail to achieve such steps.

In the long run, the security of every American depends on our deciding the same determination, to use the same careful planning and sustain energy to the challenge of bringing military competition under sensible control as we do to devising new weapons for our protection. Our challenge—the challenge to a nation—is to make sure that our technical ingenuity is guided by wisdom.

Address before the American Society of Newspaper Editors in Washington, D.C., on April 10, 1978 (press release 154 of Apr. 10).

¹For full text of the President's address, Mar. 17, 1978, see BULLETIN of Apr. 1978, p. 17.

Question-and-Answer Session Following ASNE Address

There has been considerable controversy over both the military and diplomatic value of the neutron bomb. Yesterday your colleague at the Defense Department, Secretary Brown, seemed to downplay the military importance of that weapon, but he also seemed to indicate that there was no specific corresponding expression or concessions expected from the Soviet Union. Yet today you quoted again the President's phrase where he said the ultimate decision will be influenced by the degree to which the Soviet Union shows restraint in its conventional and nuclear arms program and, of course, deployments.

Could you be a little bit more specific in outlining what you consider the evidence of such restraint on the part of the Soviet Union?

The kind of things that we would be looking toward are the kind of things which affect the security of the European region in such things as tank forces in the area, the threat of an area which arises from weapons such as the SS-20 ballistic missile and other items which it is too early to delineate.

This is a subject which we will be discussing with our allies because these are joint concerns which we have, and we will follow those talks in discussions with the Soviet Union on the kinds of steps which we think would be an appropriate response. We hope very much that they will be responsive.

As the President said, one of the major factors affecting his ultimate decision will be the response which we seek.

If we can believe what we read in the papers—and this audience is inclined to do so—the President made his decision on the neutron bomb against the advice of most of his senior advisers, including

do you feel that as you approach the forthcoming talks in Moscow that you have lost an important bargaining chip in those discussions?

No. I do not believe that we have lost what you describe as an important bargaining chip. Secondly, let me say that the President has indicated quite clearly that

the decision which he has made is his decision to defer, and he will be looking to what the Soviet response may be in making the ultimate decision at some point in the future.

The decision which the President made is a very difficult decision, and I support his decision. It is a very awesome kind of decision to have to make, but I think he made the right decision on this, and I do not think it will in any way hinder the discussions which I would have.

Q. What can and will the United States do if Israel does not withdraw all its forces from southern Lebanon?

A. I believe that Israel will withdraw all of its forces from southern Lebanon. They have indicated to us that they will abide by U.N. Resolution 425. We have been in discussions with them about the pace of that withdrawal, and those discussions are still continuing. I, therefore, cannot accept the proposition that they will not withdraw having said that they would.

Q. The fact that you are going to Africa immediately before what is bound to be a very arduous mission to Moscow suggests either that it can't be put off any longer or that you may expect some kind of breakthrough.

Do you, in fact, have any assurances from any of the parties involved—the patriotic front, the Rhodesian Executive Council, or the front-line presidents—that they are all willing to sit down together and work out a political and military settlement?

A. No. I do not have any such assurances. The issues involved in the Rhodesian situation are of tremendous importance to the peace of that area and to the well-being of the people of Rhodesia. It is our judgment that in order for a cease-fire—a lasting cease-fire—and a lasting peace and settlement to be achieved, it will be necessary to bring all of the parties together. If that is not achieved, then I think that the likelihood of civil war is great, and, therefore, we and the British and others believe very deeply that we should do everything within our power to work with the nationalist leaders and others involved

to see if we can't help bring the parties together.

We believe that the Anglo-American proposals are a fair basis and should be the basis for a solution.¹ However, we feel that the only way to do this is to sit down with all of the parties and see whether or not common ground can be found so as to bring about a solution that all can accept and thus prevent continuing bloodshed in the future.

Q. As long as we are hopping around the globe, I will land in Panama where the Panamanians seem particularly upset with the amendments attached to the first treaty as it went through the Senate. With the likelihood of the entire project being scuttled with, somehow, the differences and the opposition not being resolved, can you suggest any diplomatic language that might be added to the second treaty in a couple of weeks that would resolve these points of contention?

A. No. What I think both sides should do is proceed with calmness at this point. The Panamanians have indicated that they will not make up their minds until both treaties have been ratified, at which time they will publicly express their views.

In the meantime, I believe that we should continue in a calm way the process of ratification in which we are involved, and I am hopeful that at the end of that process we will find treaties which are acceptable to both of the parties.

Q. The President himself has, in recent days, raised the possibility that rejection could very well occur. I believe the timing of your trip to Moscow was such that you would be there about 2 days after the Senate vote.

What do you think it would do to your credibility as a representative of this Administration and spokesman for our foreign policy if that treaty were rejected by the Senate?

A. I think that rejection of the treaty would be very damaging to American foreign policy. I believe that the treaties are very much in the national interests of the United States and of Panama as well. Indeed, I believe that the treaties are in the national interests of the world community as a whole and particularly those in our hemisphere. I think that failure to ratify the treaties would have a very serious effect upon our relationships with our friends and allies in our hemisphere and, indeed, not only

in the Third World but generally around the globe.

Q. Israel is especially concerned about the sale of F-15's to Saudi Arabia. What in your judgment will be the impact on Saudi Arabian policy if Congress doesn't approve the sale of the F-15's?

A. I think it would be a serious mistake if the Congress should not approve the arms package which we will be submitting to them after the Panama Canal Treaty vote. As you know, we agreed with the Congress that we would withhold sending up the arms package until after the Panama Canal Treaty vote so that both Houses would have full and adequate time to consider the matter. But we will be sending them up after that vote is had.

The impact of a turndown of the package I think would have adverse effects in all three of the countries involved. The requirement for the various weapons which are included in the package have been carefully examined by us and by our military people in the Defense Department, and they have been validated as necessary requirements.

Secondly, the countries involved have turned to the United States as a friend on whom both sides rely and in whom both sides have confidence. If we were unable to carry forward in meeting their requirements, I believe that this would not only have an adverse effect upon their confidence in us, but I would think it would also damage the peace process. If we are to be helpful in bringing the parties together, both sides have to have confidence in us. Particularly insofar as Israel and Egypt are concerned, they have to have confidence that their military needs are being met if they are going to take the kind of risk that one also has to take in negotiating a peace agreement.

Q. You mentioned in your remarks the serious differences that still remain in negotiating the SALT package. Could you tell us, however, whether you expect that there's a reasonable chance that you might wrap up such an agreement while you are in Moscow? And, secondly, what can you tell the Soviets about the effect of their activities in Africa—what effect those activities may have on the ultimate likelihood of getting a SALT III treaty through Congress here?

A. First, let me say I do not expect to wrap up a SALT agreement. I think, however, we hopefully can

News Conference, March 24

Q. Mr. Begin is gone now and by all appearances the United States and Israel are at some—not deadlock but approaching one on what to do next in the Middle East. May I ask you if you can share with us what new departures, if any, the Administration might be considering; and is it your feeling that there can be progress in negotiations so

long as Mr. Begin is in charge of Israeli Government?

A. Let me say first that I should and will not in any way comment anything that has to do with the internal political affairs of Israel. It would be totally inappropriate for me to do so.

Now, coming to your ma

make some progress during my discussions in Moscow. It's important that we do sit down at the highest levels and discuss these remaining issues to see how many of them can be agreed upon and thus removed from the list of our differences.

As I have said on a number of occasions before, there is no linkage between the negotiation of a SALT agreement and the activities of the Soviet Union in Africa. The reason for that is that the negotiation of a SALT agreement is central to the security of both of our nations and to the peace of the world. It should be negotiated on its own two feet, and we will do that.

On the other hand, we have made it very clear that we are concerned about the presence of such large numbers of Cuban and Soviet forces, particularly in the Horn of Africa, and I would assume that that would be one of the items that will come up for discussion, because I will be discussing not only SALT but a number of other items.

Q. How did the White House or the State Department dispose of the moral questions relating to the enhanced radiation device against the background of the President's emphasis on human rights?

A. When you speak of the moral questions, I assume that you are referring to the allegations which have been made that the enhanced radiation weapon is a particularly inhumane weapon. Any nuclear weapon is a devastating weapon. Indeed, the damage to individuals would be less with enhanced radiation weapons than with non-enhanced radiation weapons.

It is also true that there would be less collateral damage to structures and the like. But it is erroneous to suggest that this is designed only to kill people and, therefore, is a more inhumane weapon than any other nu-

clear weapon. I think quite the contrary is the case.

Q. Can you say how long it would take us to get into full production of the neutron bomb from the time of planning if the President gives his approval?

A. No, sir. I do not have that figure. I'm sorry to say.

Q. Could you give us a categorical denial that there are Soviet offensive weapons in Cuba or missiles in Cuba and that they are building a submarine base at Cienfuegos?

A. I have no evidence which would support the fact that there are Soviet nuclear weapons in Cuba, nor do I have any information which would support an affirmative answer to your second question.

Q. Could you give any example of restraint which the Soviet Union has shown as a result of our stopping or ending the entire U.S. antiballistic missile (ABM) project—the decision not to develop the B-1 bomber—which would indicate that there will be such a restraint on the neutron bomber?

A. The Soviet Union has abided by the terms of the ABM treaty and by the terms of the SALT I agreement. We have recently done a study of that, which we gave in an unclassified form to the Congress, indicating that they have abided by those two agreements.

If an agreement is reached with respect to mutual restraint arising out of the decision with respect to the enhanced radiation weapon, I would expect and we would make sure by adequate verification that that would be the case.

Press release 154A of Apr. 10, 1978.

¹ For text of proposals, see BULLETIN of the Department of State, Vol. 11, No. 4, Oct. 3, 1977, p. 424.

question—what are the prospects for the future? As the Prime Minister said, and as we have said, we had very full, frank, and candid talks over the last 2 days—both talks in which the Prime Minister and the President participated and talks in which I and the Foreign Minister and other members of the Prime Minister's staff took place.

As all of you know, the talks were difficult. There were differences of view between ourselves and the Israelis on certain issues. However, in any way was the atmosphere of the talks unfriendly or ugly—I want to make that very clear. They were frank exchanges of views between allies and friends. We remain fully and unequivocally committed to the security of Israel, and there should be no doubt about that.

The President put forward some exploratory ideas to the Prime Minister with respect to possible ways of bridging the gaps which remain between the parties in a number of critical areas. I am sure that the Prime Minister and the Israeli Government will reflect on these. We will be maintaining our contacts with them and with the Egyptians, and we will remain in consultation with the Members of our Congress. I hope that as a result of this process we will be able to continue the momentum which has clearly been much slowed down by recent events.

Q. At what point do you do these things: one, put forward a set of American ideas, and two, send Ambassador Atherton back to the Middle East?

A. What I've said, to make it very clear: We have already suggested some exploratory thoughts which I'm sure the Israelis will reflect on. It is not a question that the Americans put forward. It was a way of exploring various views and alternatives and to ascertain the Israeli position with respect to a number of these items.

I'll be very frank. There are differences of views on such issues as the application of Resolution 242; 242 has been the basis of negotiations between the parties for many years. The application of Resolution 242 to all fronts has been a position which has been accepted by all of the parties over the years.

There now has been a question raised as to whether or not 242 does, in fact, apply to all fronts and, more specifically, to the West Bank and Gaza. In our judgment, it is clear from the past history—from the negotiating story—and from the conduct of the parties that 242 does, indeed, apply on all fronts. The whole idea of 242 was

the achievement of a full, normal, and secure peace in exchange for territories occupied in the 1967 conflict, and that applied on all fronts.

Another difference of importance is that relating to the question of settlements, both the policy of the Government of Israel with respect to settlements in the Sinai and in the West Bank. Those are two of the main problem areas.

Q. Maybe you assumed, but you didn't answer the question. One, are we going to put forward any American plan? And two, are you going to send Mr. Atherton back?

A. Insofar as putting forward any new ideas, let me say that we have always said—and I've said it to you many times before—that if there comes a time that we think it will be useful for us to put forward our ideas which might help to resolve the gaps between the parties, we would feel free to do so. I don't have any time schedule or anything like that in mind at this time.

Q. We've been led to believe that the President, in discussing the situation with Members of Congress, discussed with them the ideas he put forth and indicated that Mr. Begin had expressed only negative reactions to them. You seem to be suggesting that there was no reaction to this, or am I—

A. I did not want to leave you with that impression. As I said, certain exploratory ideas were put forth with respect to any number of points—such as the question of settlement policy—and it was very clear, in response to that, that the Israeli position is that they will not give up settlements in the Sinai as part of a peace with Egypt or let the Israeli settlers be under Egyptian protection instead of Israeli protection.

There is a disagreement, as I indicated before, with respect to the application of 242 to the withdrawal from at least part of the occupied West Bank of the Jordan and the Gaza Strip. And there are differing views, as was indicated in some of the newspaper articles this morning, with respect to exploratory suggestions about an interim agreement that would apply for a period on the West Bank, to be followed by some form of choice at the end with respect to the possibility of affiliation of that territory with Israel to maintain the interim status or to affiliate with Jordan. Those are some of the differences.

Q. Now on most of these positions we have already known that dis-

agreements existed between the United States and Israel—on the settlements as well as on the American ideas on the West Bank. What was different about this visit? In other words, why was the impasse sort of taken note of now, rather than, say, a month ago?

A. I think that it is best explained by emphasizing that there was a detailed examination in the frankest kind of fashion between the two heads of government where it became very clear without any ambiguity where these differences lie. To a degree, there had been some ambiguity left prior to this meeting. I think that ambiguity has been removed.

Q. Would it help at this time for Jordan to agree to enter into direct negotiations involving the West Bank? And if so, are there efforts being made to achieve that?

A. It would help to have as many of these parties as we could get to participate in discussions. I must say as a practical matter I do not think at this moment, without a declaration of principles, that there is any real likelihood that Jordan at this point would enter into any negotiations. I think it is first necessary to establish a framework for a comprehensive peace before one can expect other parties to enter into discussions.

Q. Mr. Begin, yesterday, appealed for patience from the United States. He also appealed for fair play from the American people and indicated that he thought the Administration had changed its attitude toward his peace plan. What is your reaction to his appeals?

A. We have not changed our position with respect to Mr. Begin's proposal for self-rule. At the time that those proposals were made—I believe it was in December [14–19] when Mr. Begin was here—we indicated that we believed that the proposal which he had made was a constructive proposal.² It provided a first step for negotiations, and we welcomed the fact that it had been made.

We did not endorse the proposal. We still believe that it was a constructive step—but only a step—looking forward to further negotiations with respect to the issues relating to the whole West Bank question.

Q. Has the United States not shown enough patience?

A. The United States will persevere. It will be patient. Let me make it crystal clear that we have not given up hope. We are going to continue to

work with the parties. Peace is essential, not only to the people of the area, but to the United States and to the world, and we will continue to do whatever we can to work with the parties to try and achieve that ultimate end.

Q. Many of the most experienced diplomats believe that at this point the United States and the Soviet Union are at the most precarious stage that they have been in since the start of this Administration. Now President Carter has referred to the Soviet-Cuban pattern of developments in Africa as ominous. The Soviet press has responded that this appears to represent a U.S. turn away from detente, in their perception. In your view, are we now in a decisive stage in our relations with the Soviet Union? And could you give us your appraisal?

A. Let me say I think we are at a delicate stage in our relationships with the Soviet Union. The various matters which we are dealing with in consultations and negotiations with the Soviet Union are mixed. In some we are making progress. In others, things are standing still. In still others, I think there has been retrogression. And I think we are always going to find this kind of a mix. It is a very complex set of relationships.

I think we must continue to pursue each and every one of these sets of discussions and negotiations because I think it is terribly important—not only for our bilateral relationships but for world peace in general—that we do, along with the Soviets, what we can to reduce the tensions between us.

Q. To be more specific, on the immediate situation in Africa, is the Administration particularly concerned that the Cuban forces which are now there might be used in what can be a very violent civil war in Rhodesia?

A. We are concerned about the presence of foreign troops in Africa. We believe that African problems should be resolved by Africans themselves. We have made this very clear in our views with respect to the conflict in the Horn of Africa, and we believe that applies elsewhere in Africa.

With respect to the question of Rhodesia, we believe that the answer must be found in a negotiated solution which we were addressing in the Anglo-American proposals which we have put forward. We still believe that that should be the yardstick for measuring any proposals for the resolution of that problem; and we still

point out that if there is to be real peace, we believe that all of the nationalist leaders should be included.

Q. If I may return to just one more question on the Middle East. I am a little bit confused about what the exploratory ideas that we have put forward are intended to resolve. It sounds to me as if you are saying on at least three questions—the applicability of 242, the question of settlements remaining in Sinai, and that the issue of the West Bank of the Jordan be regarded as an interim process leading to some kind of referendum—that the United States is taking rather firm positions on those three.

Are you saying, in effect, that unless the Israelis accept what is our view on these three basic fundamental questions, that it will be difficult or impossible to move forward in the negotiations? I don't understand what the exploratory ideas—if we have taken such firm positions on these three issues—are intended to resolve. It sounds to me as if we are—

A. There are a number of exploratory issues or points that have been discussed. One of the paramount questions—indeed perhaps the most fundamental question—is that of the security of Israel. And we have made it clear to them and to the Arabs that any settlement must protect the security of Israel, and we have put forward some exploratory ideas of how this can be done.

There are a number of other specific items, or ideas, like that which were discussed on which there was agreement between ourselves and the Israelis. So there is a whole range of exploratory ideas. I was asked, in effect, you know, where the differences lie, and that is why I picked the three critical issues.

Q. Would you accept my assumption that unless there is agreement on these three issues—the settlements, the applicability of 242 to the West Bank, and that there be some kind of a referendum or freedom of choice following an interim process—that it would be difficult to move forward?

A. Certainly insofar as the question of 242 is concerned, this is absolutely fundamental. It is the basis for the negotiations that have taken place up until now, and if there cannot be a resolution of the interpretation of 242, then I think there are very substantial obstacles ahead.

With respect to the question of set-

tlements, this is a fundamental difference between the two parties, and again I think this creates a substantial obstacle to any progress.

Q. You seem to be talking around this question of the exploratory ideas for Israel's security. What precisely have you suggested to them that might be helpful in assuring them of their security?

I would like to add another related question. What is your idea now, the U.S. idea now, relative to mutual defense agreement with the Israelis?

A. In regard to the first of your two questions, the details of the items, ideas which we have suggested have been conveyed to the Israelis. We believe we should convey these kinds of ideas to the Egyptians as well. And don't think until we have had a chance to explore them with both that it will be helpful to detail the specific ideas that we have put forward for discussion.

I guess your second question was: What about a defense agreement? That is a question which would ultimately have to be decided, of course, by the Congress of the United States. But that would be the final item which would be required as the linchpin to put together an agreement which would fail with something like that, then that is something I think we would have to seriously consider recommending to the Congress.

Q. Israeli officials in Jerusalem are making the charge that the Administration, through what it is saying privately and implying publicly, is trying to bring down the Begin government or at least Menahem Begin's leadership of that government. Would you respond to that charge?

A. I am very happy to respond to that. That is totally false. The President and I and all of us have the highest respect for the Prime Minister. We may have differences on some items as we have agreements on many items. It would be totally improper for us to interfere or meddle in any way in the internal politics of Israel. We will not do so. Nobody has done so, and I assure you that without any sense of equivocation.

Q. The State Department put out a statement the other day saying there appeared to be no retribution in the Ogaden. The Somali spokesman has now challenged this as said there were. What sort of information do we have, and have we really been able to carry out the implicit promises of trying to protect the people there?

A. We have been pressing the Organization of African Unity (OAU) to take action to put individuals into Ethiopia to monitor what is happening in the Ogaden. At this point there has been a declination on the part of both the Ethiopians and the Somalis to support such action in the OAU and as a result of that it has been difficult to move forward with that.

I still believe that this should be done as part of the process of the OAU facilitating an overall settlement in the area as well as protecting the people from reprisals.

Q. Will you address the state of the SALT negotiations [Strategic Arms Limitation Talks], specifically in the context of whether—well, one, of course, obviously whether an agreement was in prospect and, two, whether in the present uncertain mixed state, as you put it, of Soviet-American relations you would feel free to put a treaty to the Congress and what you think its prospects would be in Congress?

A. We have made progress, substantial progress, in the SALT negotiations. There are some remaining items of varying difficulty. Two or three are very tough. The others are not that difficult, quite frankly.

We will continue to press ahead without any time constraint—no target that we have to meet—complete our negotiations on these remaining items. I believe that this can be done. I believe it will be done. When that is achieved we will lay that agreement before the Congress when it is signed. And if that can be done, say, for example—and I am just saying for example—this summer, we would put it before the Congress.

Let me say that this treaty, however, would have to be one which is sound and verifiable and which would enhance the national security of our country and of our allies. I believe it is possible to achieve such a treaty.

Q. What is the State Department doing for its part in cooperation with the Treasury Department to help the alarming drop in the value of the dollar?

A. We have been working very closely with the Department of the Treasury and with other elements of the Administration to work upon the problems of the dollar and the related issues which, of course, involve the energy crisis, energy program, conservation, inflation, and the question of exports. There is very close consultation going on at this point within the government.

Q. Has the State Department yet decided if Israel's invasion of Lebanon was a violation of the Foreign Military Sales Act in that it was something beyond a self-defensive measure?

A. We have received, as I think most of you know, inquiries from several Members of the Congress asking us to express a legal opinion with respect to that question. We are examining that question and will respond to those letters in the very near future.

Just to give you the background on this, what one has to take a look at is the Mutual Defense Assistance Agreement which was signed in 1952. That provides that the Government of Israel assure the United States that such equipment, materials, or services are required for—and will be used solely to maintain—its internal security, its legitimate self-defense, or to permit it to participate in the defense of the area of which it is a part or in connection with the U.N. collective security arrangements. The legal question is a complex one, and I don't want to express a judgment on the question at this point until we have completed our legal work.

Q. Yesterday Mr. Begin said that if we supply Saudi Arabia with F-15 fighter bombers it will make them into a confrontation state against Israel. Do you agree with that estimate of his?

A. No, I respectfully disagree with that estimate of the Prime Minister's. Saudi Arabia is not a confrontation state. From all of our discussions with them at the highest level they have indicated that they do not and will not become a confrontation state.

Insofar as the F-15's are concerned, they have indicated that they would not base these aircraft at Tabuk, which is the base near Israel; that these would be put in bases at Dhahran, Riyadh, and in the south. The potential threats they face would be in these areas. The reasons for the F-15's are that they are very effective, perhaps the world's most effective interceptor aircraft.

Saudi Arabia has a vast land mass; it is the equivalent of everything east of the Mississippi; they have a limited number of people. The problem of ground-air radar coverage is a very tough one for them because of the limited number of people that they have to man such radars and the great cost which would be involved in setting up such a system. With the effective radar that the F-15's have, they can operate over this vast territory in a way which will give them the kind of air defense

protection which is required. We believe this to be a valid requirement. We believe that it will not upset the balance of the region, and we believe that it will also be helpful in keeping movement in the peace negotiations.

Q. In that connection, did King Khalid of Saudi Arabia write to the President saying that Saudi Arabia might have to increase oil prices because of the falling dollar value, and was there any linkage, as well, to an increase in oil prices relating to the F-15 sale?

A. Let me say that I will not comment on any correspondence between the President and King Khalid or any other head of state. But let me answer your question.

The Saudis have never indicated to us that they would link progress or lack of progress in these areas to oil prices. They have indicated quite the contrary; that they will make their independent judgments on these issues. They have not threatened in any way that they are going to take punitive action of any kind whatsoever.

Q. Really, in terms of the dollar and the value of the dollar, there is nothing to that as well?

A. I'm not sure I understand your question.

Q. I was asking whether, putting aside a letter from King Khalid to the President, whether you know if Saudi Arabia has raised the question of raising oil prices because of the falling value of the dollar on international markets?

A. Not to my knowledge, but others in the area have raised that question.

Q. If, despite the best efforts of diplomacy, it is not possible to go any further with the Middle East peace initiative due to the positions which have been taken, what would be the consequences in the Middle East and what would be the consequences in terms of Israel's relationships in the United States?

A. I don't want to speculate about the assumptions you made in that question. Let me say I do not think we are at a point in which one should say we've given up hope of moving forward, because we haven't. I think that there is still a real chance to move forward. There are many obstacles in the way, but I think at this point to imply that we are in a desperate situation where nothing can happen and that it is hopeless is not an accurate assessment, and I just don't want to speculate about what may happen.

Q. There was a new presidential election in Taipei, and I have two questions to ask you. The first is, is there any government representative from the United States to attend the presidential inauguration which is about 2 months away? And another question is, what is your estimate of the Taipei-Washington relationship after the election?

A. I haven't focused on the issue of representation. The issue hasn't come to my desk at this point. Insofar as our relationships are concerned, they are the same as they have always been in the past.

Q. The U.S.-Soviet joint statement is still the basis for our approach to a Mideast peace.³ Is there any chance that we would try to reactivate that, and, in particular, is there any possibility that we would try to reactivate that in context of looking at the Mideast in terms of the kind of development program that the Saudis in particular have been pushing, as the Soviets have indicated they would be interested in as well; that is to say, to actually develop the region—using petrodollars, by increasing U.S. exports, high technology, etc.—and in that way essentially sidestep certain problems that now exist by being able to guarantee the kind of peace that everybody in the region recognizes?

A. Let me say that we have always believed that an essential element of a final peace would be an economic development program for the area. We have done a great deal of research and work on what kinds of programs might be effective in this area. We have discussed it not only with the parties to the conflict, but we have discussed it with other nations in the area and elsewhere in the world.

Now, coming back to your first question which was related to the U.S.-Soviet joint statement which was issued. The fundamental principles which we stated in that remain principles which we believe are sound principles. Many of those principles are contained in the discussions which we have had with all of the parties, and we still stand behind those principles.

Q. You made clear that you are not

going to have any real progress without a declaration of principles for a settlement in the Middle East. It also seems clear from what you said you can't get that declaration unless Israel changes some of its views. Although you're determined to persevere, do you have any assurances that the others, for example the Egyptians, are willing to persevere under these circumstances, and do you feel any kind of deadline pressure, like October of this year?

A. I'm not going to speculate on deadlines or anything like that. I think the parties all still are willing to persevere, and by that I mean the Israelis and the Egyptians.

Q. About your reports on human rights, your Liberian desk tells me their original draft included the racial restrictions on voting and property rights that are in Article V of the Liberian Constitution. My question is, did the White House or your office or someone else in the State Department order that this information be deleted?

A. Not to my knowledge. I don't have any information on that.

Q. Since the President said that our commitment to human rights must be absolute, will this information be restored to the next human rights report, and do you believe it might be discussed next week during the Presidential visit to Monrovia?⁴

A. I'll have to check into the matter. I simply cannot give you an adequate answer at this time.

Q. Can you clarify please whether your position on the Indochinese refugees is that all the boat people should be admitted, and do you think that your view—if that is your view—will carry the day within the Administration? Because I understand the Attorney General doesn't agree with you. He wants to restrict them.

A. I don't think you ought to speculate about his position or other positions at this point. I will tell you it is my belief that we should take in such of the boat people as are not able to

find refuge elsewhere. The problem is still under discussion in terms of the overall policy of the Administration, but I expect a decision soon.

Q. [In reference to the Middle East peace process] I was just wondering if you had assurances from any of these people. You expressed some note of optimism and confidence in the process that may not be apparent to the rest of us.

A. They have all said that they want to continue the peace process. I am suggesting that means the parties can sit down and talk face-to-face in the near future, because I think that that is unlikely at this point.

Q. Do you foresee—with the introduction of these Soviet and Cuban troops into Mozambique—a deepening of the Rhodesian civil war situation? And what would be the U.S. response should the conflict escalate?

A. The question of the number of outside troops in Mozambique is one on which I think the information is sufficiently cloudy at this point that I don't want to speculate nor accept what I think may be an assumed premise within what you have stated, that there is a large number there, because I do not believe that that is the case.

Insofar as the future is concerned again I would say that the presence of outside troops cannot help but exacerbate the situation, and, therefore, I think that all of us—the front-line states and others in the area—must redouble our efforts to try and find a negotiated solution. Otherwise, I am afraid the conflict, the fighting, will increase and that certainly is in nobody's interest.

Press release 135 of Mar. 24, 1978.

¹ Alfred L. Atherton, Jr., Assistant Secretary for Near Eastern and South Asian Affairs, was nominated by President Carter on Mar. 19, 1978, to be Ambassador at Large with special responsibility for Middle East peace negotiations. He was confirmed by the Senate on Apr. 6 and sworn into office on Apr. 11.

² For texts of White House statements on Prime Minister Begin's visit, see BULLETIN of Jan. 1978, p. 48.

³ For text of joint statement, see BULLETIN of Nov. 7, 1977, p. 639.

⁴ For material relating to President Carter's four-nation trip, see p. 1.

ARMS CONTROL: U.N. Special Session on Disarmament

On March 16, 1978, Secretary of State Alexander Haig submitted the following report to the U.S. House of Representatives on U.S. preparations for the Special Session of the U.N. General Assembly devoted to Disarmament to the Senate Foreign Relations and the House Committees on International Relations and Armed Services pursuant to Section 53 of the 1978 Foreign Relations Authorization Act. This special session is scheduled to be held May 23-June 28, 1978, at U.N. Headquarters in New York.

The Special Session of the U.N. General Assembly on Disarmament (SSOD) will be the first occasion on which an attempt will be made to focus the attention of virtually all states of the world—large and small—on arms control and disarmament since the 1932 General Disarmament Conference. As a unique event it has generated a high level of interest among world leaders, many of whom are planning to attend. We expect the SSOD to be a major event for the United Nations, for disarmament, and for the United States.

This will be the ninth time the U.N. General Assembly has convened a special intersessional meeting on a particular theme. A brief 2-week special meeting, designed to promote independence for Namibia (South West Africa) is planned for late April-early May of 1978. The sixth and seventh special sessions were devoted to international economic questions. Earlier special sessions were devoted to other issues of concern to the U.N. majority—such as Palestine, Tunisia, and Namibia.

Origins of the SSOD

The SSOD has its origins in the dissatisfaction among many of the U.N. members with what they regard as slow progress in disarmament. In addition, reflecting the absence of China and France from the Conference of the Committee on Disarmament (CCD) in Geneva, many at the United Nations began to search for a forum in which all states could participate. For more than a decade the Soviet Union has pressed for a world disarmament conference, attended by plenipotentiary delegates with the authority to negotiate binding decisions. China has regarded the Soviet initiative as a prop-

agandistic proposal to use the dynamics of large conference diplomacy to build up pressure and support for Soviet disarmament positions. The United States has taken the position that it is premature at the present stage of the disarmament effort to convene a world disarmament conference.

The idea of a special session of the General Assembly devoted to disarmament evolved over the past few years as a possible alternative to a world disarmament conference. Although similar to a world disarmament conference in some respects, the special session will adopt only recommendations and a program of action. Moreover, it has not been identified as a superpower initiative. Many countries also favored the special session because it was more likely that all of the nuclear-weapon states would attend a General Assembly session, whereas a world disarmament conference, with possible anti-Chinese undertones, would not draw as wide an attendance.

Against this background, at the 30th session of the U.N. General Assembly, several nonaligned delegations stated that if progress were not made during 1976 toward the convening of a world disarmament conference, they would ask the 31st U.N. General Assembly to schedule a special session on disarmament. The idea of a special session gained substantial support, in part due to vigorous campaigning under Yugoslav leadership, culminating in the endorsement of the special session by the nonaligned summit conference at Colombo in August 1976. A resolution calling for the convening of the SSOD passed by consensus at the 31st General Assembly in 1976 [Resolution 31/189B adopted December 21, 1976].

Many of the nonaligned see the SSOD as a forum in which they can bring their concerns to the attention of the leaders and peoples of the major military powers, particularly the United States and the U.S.S.R. One of their interests is a larger role in disarmament and arms control forums. Their main concern, however, centers on the need for the superpowers to commit themselves more specifically than heretofore to steps beyond SALT II [Strategic Arms Limitation Talks] and comprehensive test ban negotiations, halt the buildup of their nuclear arsenals, and begin the process of reductions. They also hope to achieve wider ac-

ceptance of their belief that at least some of the savings resulting from disarmament should go to assist the less developed countries.

A longer term goal of many is a larger voice for the United Nations in disarmament issues. There is consequently considerable support for a follow-on SSOD to assess progress on the program of action which will be adopted by the upcoming special session. The United States has gone on record as prepared to support another SSOD in about 5 years but is not committed to a series of such sessions at regular intervals.

Forum for Discussions

The special General Assembly session provides a welcome opportunity to involve the entire U.N. membership in disarmament discussions, to give states more insight into each other's thinking on these questions, and to develop greater consensus on how to deal with them. If the participants succeed in avoiding polemics, we think that the session can have a significant and positive impact on the arms control and disarmament agenda during the next few years.

At the same time, there are inherent limitations to the treatment of disarmament issues in such a large forum. The participants generally recognize that it is not the task of the session to negotiate specific agreements. The special session will be too brief (only 5 weeks, with 2 of those taken up in general debate) to permit more than initial consideration of new disarmament proposals. We should recognize, in addition, that there are several factors at play which could diminish the productivity of the session.

- The inclination to present comprehensive lists of measures covering all known categories of arms control and disarmament issues could lead to confusion rather than give direction to future efforts.

- Insistence on sweeping changes in existing disarmament forums could reduce efficiency and result in decreasing their usefulness.

Thus the success of the SSOD will depend heavily on the spirit in which the participants approach it and the constructive contributions which they

are willing and able to make. There are wide variations among countries and groups of countries in their interest in disarmament matters and their capacity to contribute. During the first four sessions of the Preparatory Committee, there have been differences of views but nevertheless a general effort to avoid polemics. Each of the major regional and political groupings in the United Nations have established the practice of meeting together to discuss issues before the Preparatory Committee. This has facilitated a more informal exchange of views among members of these groups and, together with the informal discussions among members from each of these groups—as well as with certain states not members of any group—has afforded opportunities to carry on an active exchange of views beyond that which takes place in the formal Preparatory Committee meetings.

The work of the Special Session on Disarmament will be affected in part by the nature of the representation. Some countries already active in disarmament

negotiations in various forums will send specialists in the field to New York. The majority will be represented by their permanent U.N. General Assembly delegations concerned with the range of political and economic issues which arise in the United Nations. As is the case with regular General Assembly sessions, much of the significant work will be conducted off the floor in private meetings. In fact, this process is already well underway in New York where we have been in close contact with the delegations to the Preparatory Committee meetings. In addition, bilateral discussions will be taking place between now and the opening of the SSOD between U.S. representatives and officials of some of the countries which are expected to play a significant role in the SSOD.

Developments to Date

Thus far, four Preparatory Committee (PREPCOM) meetings for the SSOD have been held. The 54 nations who participate in the PREPCOM are broadly representative of the U.N. General Assembly itself, assuring the presentation of a nearly full spectrum of views. At the end of the third PREPCOM in September, a provisional agenda for the special session was adopted. This agenda includes provisions for:

- General debate;
- Review and appraisal of the present international situation in light of the pressing need to achieve substantial progress in the field of disarmament, the continuation of the arms race and the close interrelationship between disarmament, international peace and security, and economic development;
- Adoption of a declaration on disarmament;
- Adoption of a program of action on disarmament; and
- Review of the role of the United Nations in disarmament and of the international machinery for negotiations on disarmament, including in particular, the question of convening a world disarmament conference.

During the fourth Preparatory Committee in February of this year, drafts of the declaration on disarmament and a program of action were introduced by a large number of states or groups of states. In addition, a large number of proposals were submitted concerning the machinery for disarmament discussions and negotiations. Also during the February meeting, the various proposals on the declaration, the program of action, and disarmament machinery were consolidated into one document

for purposes of future consideration. While some limited progress was made in consolidating some of the various texts on the declaration, the document generally consists of a single text which contains the provisions of the various documents submitted earlier by various states or groups of states. During March the many alternative formulations will be evaluated by governments. At the final PREPCOM session, which is scheduled for April 4-21, an attempt will be made to eliminate, to the extent possible, the divergent language prior to consideration of the documents by the SSOD itself. However, it is highly unlikely that many disagreements on key substantive issues will be resolved before the SSOD itself.

Key Issues

Virtually every aspect of arms control will receive attention at the SSOD. At date, the key issues appear to be:

- Questions relating to **nuclear weapons**, such as calls for early conclusion of SALT II, a comprehensive test ban, and assurances by nuclear weapons states not to use or threaten to use such weapons against non-nuclear states;
- The tension between **nonproliferation** concerns on the one hand and demands for "nondiscriminatory" access to peaceful nuclear technology;
- The **relationship between disarmament and development**, i.e., what—if any—commitments can be developed which should channel a portion of the savings realized from arms control measures into development assistance;
- Measures to deal with **no nuclear weapons of mass destruction** such as chemical weapons;
- Measures to deal with **certain conventional weapons** which may be deemed to be excessively injurious to have indiscriminate effects;
- Possible limitations on the **production and transfer of conventional weapons**;
- **Regional limitations** on certain types of weapons or on force levels;
- Elaboration and extension of the concept of **confidence-building measures**, such as notifications to neighboring states of scheduled military maneuvers; and
- Possible modifications to the **multilateral mechanisms for dealing with disarmament issues**, strengthening the role of the United Nations, and broadening participation in the multilateral negotiating forum, the Conference of the Committee on Disarmament.

ACDA ANNUAL REPORT

As required by law, President Carter on March 22, 1978, transmitted to the Congress the 17th annual report of the U.S. Arms Control and Disarmament Agency (ACDA).

The report discusses in detail the U.S.-Soviet Strategic Arms Limitation Talks (SALT) and other negotiations such as those directed to achieving a comprehensive nuclear test ban, force reductions in central Europe, and prohibitions on chemical and radiological weapons. Chapters on these negotiations cover current status, progress, and obstacles to achievement.

The report presents the President's new initiatives in the fields of conventional arms transfers and the nonproliferation of nuclear weapons. It describes ACDA's role in the interagency policy formulation process under the National Security Council and discusses ACDA's statutory requirement to prepare analyses of the arms control impact of certain proposed weapons systems.

Single copies of the report are available from the U.S. Arms Control and Disarmament Agency, Washington, D.C. 20451. The text of the President's letter of transmittal is printed in the Weekly Compilation of Presidential Documents of March 27, 1978.

S. Objectives

In line with this Administration's active support for arms control and disarmament initiatives and its efforts to strengthen relations with the developing countries, the United States has adopted a positive approach to the special session. On March 17, in a speech to the United Nations, the President stated that the United States "... will make a strong and a positive contribution ... to the special session. This position was reiterated in Ambassador Young's letter of April 22, 1977, to Secretary General Waldheim responding to a request for views of members on the SSOD agenda. Ambassador Young said the United States believes that "... the central objective of the session should be to give a new impetus to productive negotiations on issues—old and new—of pressing concern." Because this letter set forth the basic framework for U.S. preparations for the SSOD, it is attached to this report.¹ We have adopted this positive attitude to the SSOD because we believe it holds the potential for making significant contributions to the achievement of our arms control and disarmament objectives while furthering a more productive North-South relationship. Our fundamental objectives at the SSOD are these:

- To develop support for the arms control initiatives that this Administration has undertaken in the last year and a half;
- To work with other countries in developing new and realistic arms control proposals; and
- To insure that actions taken at the SSOD are compatible with basic U.S. security interests and with effective and practical arms control agreements.

Turning first to the disarmament aspect at the special session, we propose to work toward:

- Creating a receptive environment and wider support for the key arms control agreements which may emerge from negotiations now underway on SALT II, the comprehensive test ban, and chemical weapons;
- Developing a broad consensus on a realistic agenda for negotiations over the next few years;
- Preserving and strengthening existing multilateral negotiating forums such as the Conference of the Committee on Disarmament while maintaining flexibility on proposals for procedural change which would accommodate the concerns of nations whose active participation is essential for the realization of general arms control objectives; and

- Encouraging better understanding of and support for our overall arms control objectives on the part of our allies, the Warsaw Pact countries, and the nonaligned countries. The SSOD will provide an unusual opportunity for us to explain our objectives to key countries which have previously been skeptical about our intentions.

We see the SSOD as an opportunity for entering into a dialogue with certain other countries that have not participated in disarmament negotiations thus far. We also view it as an opportunity to gain greater public support, both in the United States and abroad, for our goals in the arms control area.

In terms of our relations with the developing world, we believe that the SSOD would be able to:

- Contribute to a more fruitful North-South dialogue on disarmament. We intend to use the SSOD to foster a more constructive dialogue on our policies in two areas of particular interest to us—nonproliferation and restraints on the transfer of conventional arms, subjects which have been a source of considerable friction in the past and

- Lead to acceptance of the concept that, particularly with regard to the spread of military technology and hardware to all regions of the globe, arms control and disarmament are common goals for all U.N. members and that all nations, including the developing countries, must exercise restraint on the acquisition of arms.

U.S. Preparations

U.S. preparations for the special session got underway following the approval by the 1976 U.N. General Assembly resolution calling for the SSOD. Beginning in early 1977, elements of the Department of State and the Arms Control and Disarmament Agency (ACDA), acting in an informal working group, began developing our general approach to the SSOD with a view to establishing the U.S. positions for the session on specific issues. In August of 1977, Dr. Lawrence Weiler, former Counselor of ACDA and subsequently Associate Director of Stanford University's Arms Control and Disarmament Program, was appointed Special Coordinator for the SSOD, with responsibility for coordinating preparations for the session. Dr. Weiler has also represented the United States at the third and fourth PREPCOM sessions.

In February of this year, at the direction of the National Security Council, an inter-agency backstopping committee—chaired by Adam Yarmolinsky, Counselor of the Arms Control and Disarmament Agency—was formed with participation by the National Security Council, State, ACDA, Defense, CIA, AID, and other interested agencies. The committee will be responsible for providing policy guidance to our delegation and reviewing proposals that the United States might advance at the SSOD.

The U.S. delegation to the SSOD has not yet been named. Present plans are for Ambassador Young [Andrew Young, U.S. Permanent Representative to the U.N.] to head the delegation assisted by Deputy Permanent Representative James Leonard and Ambassador Adrian Fisher of the Arms Control and Disarmament Agency, both of whom have exceptional qualifications

Enhanced Radiation Weapons

Statement by President Carter

I have decided to defer production of weapons with enhanced radiation effects. The ultimate decision regarding the incorporation of enhanced radiation features into our modernized battlefield weapons will be made later and will be influenced by the degree to which the Soviet Union shows restraint in its conventional and nuclear arms programs and force deployments affecting the security of the United States and Western Europe.

Accordingly, I have ordered the Defense Department to proceed with the modernization of the Lance missile nuclear warhead and the 8-inch weapon system, leaving open the option of installing the enhanced radiation elements.

The United States is consulting with its partners in the North Atlantic alliance on this decision and will continue to discuss with them appropriate arms control measures to be pursued with the Soviet Union.

We will continue to move ahead with our allies to modernize and strengthen our military capabilities, both conventional and nuclear. We are determined to do whatever is necessary to assure our collective security and the forward defense of Europe. □

Issued on Apr. 7, 1978 (text from Weekly Compilation of Presidential Documents of Apr. 10).

INTERNATIONAL COMMUNICATION AGENCY

The International Communication Agency (ICA), the Federal Government's consolidated organization for conducting the nation's public diplomacy, came into formal existence on April 1, 1978.¹ This new Agency represents a merger of the functions and personnel of the U.S. Information Agency (USIA), including the Voice of America (VOA), and the Bureau of Educational and Cultural Affairs in the Department of State. Its creation is the result of President Carter's Reorganization Plan No. 2 of 1977. John E.

Reinhardt, formerly U.S. Ambassador to Nigeria and for the past year Director of USIA, was sworn in as ICA's first Director on April 3 by Vice President Mondale.

President Carter has charged ICA with five main tasks:

- To encourage, aid, and sponsor the broadest possible exchange of people and ideas between our country and other nations;
- To give foreign peoples the best possible understanding of our policies

in the disarmament field.

In addition, we will ask that both Houses of Congress be represented, each by majority and minority members. We also expect additional special congressional advisers will want to join the delegation and contribute to its work, as was the case in the seventh special session. Public members who combine a commitment to arms control and national security interests with an ability to win support for these aims at home and abroad are expected to be added to the delegation. Congressional and public members of the delegation can provide an essential contribution.

In addition, we have sought the advice and support of nongovernmental organizations. We have scheduled a 1-day conference of such organizations in Washington on March 11 to discuss the SSOD and receive suggestions.

Consultations With Other Governments

We have recognized from the outset that consultations with other governments must be a key element in the efforts to insure the success of the special session.

Over a year ago, we instructed our missions abroad to convey to host governments and other delegations to multilateral organizations that we intend to take the SSOD seriously as an opportunity for progress. We urged them to seek the views of all participants and to emphasize our willingness to listen to others as well as contribute ourselves.

We have directed special attention to consultations with our Western allies and Japan—in NATO, at the United Nations, and through bilateral consulta-

tions at all levels—in order to insure that our shared goals of reduction and control of armaments with undiminished or improved security are advanced by the SSOD.

And we have kept in close contact with the Soviet Union, recognizing that we have a joint interest in an SSOD outcome which is supportive of the bilateral and multilateral negotiations in which we are involved.

As the special session approaches, these discussions with other governments will intensify and escalate in level; we expect that discussions between policy-level officials during the SSOD itself can contribute as much to a successful session as the public proceedings.

Conclusion

In summary, the United States sees the SSOD as a genuine opportunity. Arms control cannot be an exclusive interest of the few nor can it be an obligation only on the major military powers. Even though a wider forum increases the difficulties more than proportionately and even though the SSOD cannot serve as a forum for actual negotiations on specific issues, we believe it can give a new impetus to arms control negotiations in a variety of areas and can serve as an occasion to stimulate new ideas which could open opportunities for further progress in disarmament. With the active support and advice of Congress and the public, the U.S. delegation will work actively toward this end. □

¹ Ambassador Young's letter was printed as U.N. doc. A/AC. 137/17 of Apr. 22, 1977.

and our intentions and sufficient information about American society and culture to comprehend why we have chosen certain policies over others;

- To help insure that our government adequately understands foreign public opinion and culture for policymaking purposes and to assist individual Americans and institutions in learning about other nations and cultures;

- To assist in the development and execution of a comprehensive national policy on international communications, designed to allow and encourage the maximum flow of information and ideas among the peoples of the world and

- To prepare for and conduct negotiations on cultural exchanges with other governments.

ICA will include a headquarters staff and the Voice of America in Washington and at some 189 posts in 119 countries around the world comprised approximately 8,900 employees, whom about half are foreign nationals working at the overseas posts. About 25% of the American employees will be based abroad at any one time. ICA budget request for FY 1979 is approximately \$413 million, of which some \$20 million would be used for new VOA transmitter facilities.

The best known of the nation's official exchange activities to be merged into the new Agency—the Fulbright scholarships—will continue under the supervision of the Board of Foreign Scholarships in order to preserve the academic integrity and long-range character. The 12-member board of academicians and distinguished citizens is appointed by the President.

Under the international visitors program, U.S. Chiefs of Mission abroad annually extend invitations to about 2,000 foreign leaders in government, labor, mass media, science, education and other fields to visit their counterparts in this country. More than 100,000 American volunteers and community organizations, working primarily through the National Council for Community Services to International Visitors (COSERV), cooperate in programming these people in the communities to which they travel.

The American specialists program each year sends about 200 U.S. experts in a wide variety of fields to teach and demonstrate their knowledge and skill in other countries in response to specific requests from U.S. embassies.

In the area of cultural exchange, a variety of performing arts groups, exhibits, and coaches and athletes

EUROPE: Assistance Programs to Greece, Turkey, and Cyprus

Secretary Vance

I am pleased to be here today to review the Administration's security assistance proposals for Greece, Turkey, and Cyprus for FY 1979 and to discuss more generally U.S. relations with the countries of the eastern Mediterranean.

U.S. policy in that sensitive and vital region has several fundamental goals. It is vital that we strengthen our bilateral relationships with two firm and longstanding friends and allies—Greece and Turkey. Further, it is essential to strengthen NATO's southern flank, thus enhancing allied security interests in the eastern Mediterranean. At the same time, the President and all of us remain fully committed to help in the search for a Cyprus solution that will permit the Cypriot communities to live peacefully together within one nation.

Let me emphasize that each of these goals is equally important, and that effort and attention must be paid to them if we are to succeed. Their pursuit has been complicated by the rivalry in which history has interwoven its issues at play in the region.

I wish to outline today the Administration's program for dealing with these issues which we believe will break the present impasse. We urge approval of these proposals. The consequences of failure would be enormous for all of us.

Bilateral Relations

The Clifford mission to the region in the first weeks of the new Administration demonstrated the high priority which the Administration placed on still places on restoring healthy relationships with our eastern Mediterranean friends.¹

Teams will travel overseas every year under ICA auspices.

The largest single element of ICA, in terms of personnel and resources, will continue to be the Voice of America. With all of its programming originating in Washington, the VOA broadcasts worldwide about 800 hours a week in English and 35 other languages.

The new Agency will also maintain the former USIA's daily radioteletype service to overseas posts of official state-

In Greece we have watched with admiration and respect as that country returned to its place as a leading member of the family of Western democracies. Greece's democratic institutions have been restored and strengthened under the sound and confident leadership of Prime Minister Caramanlis, who returned in July 1974 to guide Greece out of one of the darkest periods of its history. We have witnessed the economic successes of Greece and the steady progress toward Greek entry into the European Community, an entity whose ideals and aspirations we share.

Because of Prime Minister Caramanlis' international stature and the dynamism of the Greek people, we believe Greece can and will play a vital role in European and world affairs. We value Greece as an old and trusted ally, and we place special emphasis on building an even stronger relationship for the future. In President Carter's discussions with Prime Minister Caramanlis in London last May, and when I visited Athens in January, we were struck by our wide range of common interests.

Our bilateral relations with Turkey are also of great importance. As a result of the Clifford mission, the meeting between President Carter and Prime Minister Demirel during the London summit in May, my visit to Ankara in January and that of Deputy Secretary Christopher last week, some progress was made toward working out a revitalized relationship.

We believe that the United States must view Turkey from fresh perspectives for the relationship has many dimensions. Our common security concerns have in the past and will continue to play an important part in our evolving relationship. Turkey is a

major democracy with a robust parliamentary system. It is also an important developing country—one of the few that has maintained the momentum of development within a strong democratic framework. Turkey is both a European and an Asian nation, and it is likely to have a growing role in the region and the world. Our relationship with Turkey has, however, been constrained by the embargo provisions of Section 620(x) of the Foreign Assistance Act and the uncertainty concerning our bilateral defense relationship.

Strengthening NATO

The eastern Mediterranean is the junction point of several critical areas—Western Europe, the Balkans, the Soviet Union, and the Middle East. The continuing strategic significance of this area is clear. To protect our interests and those of our allies, a strong and effective NATO southern flank is essential. Unfortunately, over the last several years the effectiveness of this flank has been eroded in a manner that is of grave concern to this Administration and to our allies.

The United States has a number of vitally important military installations in Greece which are testimony to the strategic value of that country. These bases are critical to the operations of the 6th Fleet and to a variety of other activities essential to our security interests in the area.

The Government of Greece withdrew its military forces from NATO's integrated military structure in 1974 and tied its full reintegration to progress on those issues which it feels forced its decision to withdraw. However, I should note that, in the interim, U.S. military facilities in Greece have continued to operate without interruption. Recently, there have been serious discussions between NATO and Greece offering grounds for optimism that a closer relationship may be developed in the coming months. If this continuing effort is successful, it will be a major step toward a healthy normalization of Greece's participation in NATO.

Turkey, for its part, remains a full NATO member, and its geographic position is critical today—as it has been throughout history. It supplies

¹ For text of Executive Order 12048, signed Mar. 27, 1978, by President Carter establishing the ICA, see Weekly Compilation of Presidential Documents of Apr. 3.

more ground forces to NATO than any other nation. Yet the material readiness of Turkish forces has deteriorated seriously in recent years. If Turkey is to continue to play its NATO role, our relationship must be revitalized. If we fail to do so, there will be those in Turkey who will question the basis for its continued participation in the Western alliance.

Seeking a Cyprus Solution

This Administration has, from its very first days, placed a high priority on the achievement of a just settlement of the Cyprus problem. We remain committed to that goal.

We are committed to this goal for two reasons.

- So long as Cyprus is divided and its status uncertain, it constitutes a very serious humanitarian issue.

- So long as the Cyprus problem remains unsolved, it is a substantial impediment to good relations between Greece and Turkey.

In support of our commitment to the achievement of a Cyprus settlement, the Administration has made extensive efforts during the past year to encourage realistic and meaningful negotiations between the parties under the auspices of the U.N. Secretary General. Those efforts, which included many high-level visits, meetings, and discussions, have been set forth in detail by the President in his bimonthly reports to the Congress. I will not repeat them here.

Unfortunately, despite these efforts, the intercommunal talks have not to date produced any tangible breakthrough. There has, however, been a growing consensus as to a framework for a solution. The two communities in Cyprus—as well as the Governments of Greece and Turkey and, in fact, the international community as a whole—are in broad agreement with respect to the following.

- Cyprus must remain a sovereign, independent nation—partition has been ruled out as a viable solution.

- Cyprus should be a federation with two zones. The Turkish zone should provide a viable area for the Turkish Cypriot community but reduced in size from that now administered by the Turkish side.

- The constitution should provide for mutually agreed-upon responsibilities divided between central and local governments with adequate safeguards respecting the rights of individual Cypriots.

The task now is to move from this consensus to a concrete agreement that will be acceptable to the two communities on Cyprus. As a part of this effort, the Greek Cypriot negotiators tabled a map in Vienna in April 1977 and described their constitutional concepts. The Turkish Cypriots outlined some of their constitutional ideas. The Turkish side is now formulating constitutional and territorial proposals which they believe will serve as a basis for the resumption of active intercommunal negotiations.

We believe that with two thoughtful constitutional and territorial proposals on the table, combined with sufficient goodwill and a sense of realism on both sides, there is an opportunity for productive negotiations. We stand ready, if requested, to assist the Secretary General in moving these negotiations forward.

Recommendation

We have mutually agreed with the Government of Turkey to renegotiate the matters covered by the defense cooperation agreement so as to serve our bilateral security interests in a manner that the two governments can be confident will reflect the broadest interests of our two democracies. It is not easy to predict when new arrangements will be concluded since the issues are complex. However, we have agreed with the Government of Turkey to give this effort prompt attention and to act promptly to implement the new agreement after it is concluded. Of course, we will consult closely with the Congress concerning such negotiations.

Even as we are working toward this end, we believe we must deal with issues of immediate concern to us and the region. We are, therefore, submitting, in the form of an amendment to the Security Assistance Act, proposed legislation to deal with this new situation.

For **Turkey** we propose the following with respect to FY 79:

- 1) To provide foreign military sales (FMS) loan guarantees of \$175 million so that we can help meet the most urgent needs of the Turkish military. This is the same amount as was provided to Turkey last year.

- 2) To lift the embargo contained in Section 620(x) of the Foreign Assistance Act so that we can fully cooperate with Turkey in a manner consonant with the requirements of an alliance important to our mutual security. This would facilitate joint and

allied defense planning, enhance allied support for Turkey's NATO needs via third country transfers and improved standardization and permit the delivery of items impounded since the embargo was put in force.

- 3) To provide a security support assistance loan of \$50 million to Turkey to assist Turkey in resolving its present economic difficulties. I would note in this connection that a stabilization package was recently worked out between Turkey and the International Monetary Fund's staff and pending before the IMF Board.

For **Greece** we would likewise continue the level of FMS financing, last year's level—that is, \$140 million. This is somewhat higher than

DEPARTMENT STATEMENT

The Governments of the United States and Turkey have agreed that the 4-year \$1 billion defense cooperation agreement, signed on March 25, 1976, but never approved by either the U.S. Congress or the Turkish Parliament, will be renegotiated. New and mutually satisfactory defense cooperation arrangements between Turkey and the United States will be negotiated.

In order further to strengthen our bilateral relations with Turkey, and the NATO defense posture in the eastern Mediterranean, President Carter will ask the Congress to take action to repeal Section 620(x) of the Foreign Assistance Act, which imposes restrictions on military transfers to Turkey. In addition, the President is requesting the Congress to authorize \$175 million in foreign military sales (FMS) credits to Turkey for fiscal year 1979, the same amount provided by the Congress for FY 1978. Because of the serious economic situation now facing Turkey, the President is also asking the Congress to approve a \$50 million security support assistance loan for Turkey for FY 1979.

The Administration's program for Turkey will be more fully described in congressional hearings now scheduled for later this week. At that time the Administration will ask for \$5 million in refugee assistance for Cyprus and will renew its commitment to work for a just and lasting solution to the Cyprus problem. In addition, the President will also ask Congress to authorize \$140 million in FMS credits for FY 1979 for Greece, the same amount provided by the Congress for FY 1978.

Press release 145 of Apr. 4, 1978.

May 1978

Administration requested in its budget submission and reflects our desire to maintain both Greece and Turkey at last year's FMS credit levels. No grant military assistance is being requested for either country at this time.

The lifting of the embargo and the negotiation of new defense arrangements with Turkey will provide a core stability to our bilateral relations and enable us to establish a renewed sense of trust so that we may work together to resolve important problems. It should be clear that this does not signal any shift in U.S. policy as regards Greek-Turkish differences. They are both friends and valued allies. We support their efforts to resolve all problems between themselves in a peaceful fashion. We strongly believe that our national interests require the restoration of sound, normalized bilateral relationships with Turkey and with Greece, and our proposals today are made for that reason.

They should help restore a stable and peaceful atmosphere in the eastern Mediterranean—something which will benefit all nations in the region. That regard, it remains the position of the United States that the disputes which exist in the area must be settled through peaceful procedures, that each side should avoid provocative actions, and that neither side should seek a military solution to these disputes. The United States would actively and unequivocally oppose a military solution and would make a major effort to prevent such a course of action.

Lifting the Embargo

It has been suggested that lifting the embargo, or even proposing further military or economic assistance for Turkey, should be delayed until such time as a final Cyprus solution is achieved. The Administration does not share that view, and does not, for the important reasons I have outlined, believe U.S. national interests would be served by such a course. The Administration will continue to make every effort to help bring about a just solution to the Cyprus problem. The position we request today is not, in our view, inconsistent with those efforts. We believe it can actually facilitate the negotiation process. With the Cyprus negotiations entering a critical period, the United States can play a more useful role if we are seen, by all the parties, to be even-handed in our approach. An embargo against one

side makes it difficult to play that role.

Let me make another point about the embargo. Section 620(x) was enacted by the Congress to demonstrate that all facets of agreements undertaken with the U.S. Government must be honored or serious consequences faced. This is a point of principle which has had its impact both in Turkey and throughout the world—demonstrating the seriousness with which the American people view any unauthorized use of our military equipment. The point was made dramatically and effectively. Now the time has come to look forward rather than back. Continued maintenance of the embargo would be harmful to U.S. security concerns, harmful to NATO, harmful to our bilateral relations with Turkey, and harmful to our role as a potential contributor to a Cyprus settlement.

Let me conclude with a brief factual description of our recommendations for assistance to Cyprus for the coming year.

Assistance to Cyprus

As you will have noted, the Administration is requesting \$5 million in FY 1978 security supporting assistance for Cyprus as a contribution toward the relief and rehabilitation of displaced persons there. As in the past, these funds will be proportionately distributed to the two ethnic communities on Cyprus and will be earmarked for projects such as housing construction, health care, and vocational education. Since FY 1975, the United States has contributed a total of \$87.5 million for Cyprus relief and over \$9 million annually to support the U.N. peacekeeping forces in Cyprus.

We believe that these new funds will be effectively utilized by Cypriot authorities for worthwhile refugee assistance programs and will underscore our continuing concern for the people of Cyprus and our strong interest in promoting negotiation of a just and lasting settlement on the island.

A settlement of the Cyprus problem, and the adoption of a new constitution with the concomitant creation of two zones, will require some significant expenses involving the resettlement of people, the return of refugees, and the creation of new facilities. This Administration wishes to pledge that, when a settlement is achieved, we will reassess the question of economic assistance and are prepared to request from the Congress additional aid to assist both the Greek

and Turkish Cypriot communities in making the necessary economic, social, and political readjustment brought about by a solution to this troubling problem. □

Statement before the House Committee on International Relations on Apr. 6, 1978 (text from press release 151 of Apr. 6). The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

¹On Feb. 3, 1977, President Carter announced that Clark M. Clifford would undertake a special mission to Greece, Turkey, and Cyprus as his personal emissary.

Seventh Report on Cyprus

Message to the Congress

As required by Public Law 94-104, this report describes the progress that has been made during the past sixty days toward a negotiated settlement on Cyprus.

In my last such report to the Congress, submitted on January 20, I outlined the continuing efforts that we and other nations have been making, in both bilateral and international meetings, to promote an early resumption of productive negotiations between the two Cypriot communities. I stressed that resolute action was still required, but still expressed the belief that we were moving in the right direction.

Since that time there have been developments of potential significance for Cyprus. Very shortly after his assumption of office on January 5, Turkish Prime Minister Ecevit publicly announced his intention to deal promptly and decisively with the outstanding foreign policy issues confronting his nation, prime among them being Cyprus. Ecevit acknowledged that a Cyprus settlement would be in Turkey's own best interests. "We want to see a rapid solution in Cyprus," he declared in a January 9 interview, "not because the U.S. or other friendly countries want it, but because it will be for the benefit of all Cyprus and for the benefit of peace in the region." Subsequently, in both public statements and private conversations, Prime Minister Ecevit said that he hoped negotiations between the communities would soon resume, and he declared that the Turkish side would submit concrete proposals on both the constitutional and territorial aspects of the issue.

United Nations Secretary General Waldheim visited Ankara, Athens and Nicosia between January 8 and 18. The Secretary General was apparently encouraged by his conversations with President Kyprianou, Prime Ministers Ecevit and Caramanlis, and Turkish Cypriot leader Denktash, and afterwards said that it

German Democratic Republic

by David B. Bolen

President Carter recently noted that we live in a rapidly changing world; a world in which the universal desire for freedom and a better life is being expressed more strongly and in more ways than ever before; a world in which political awakening, economic independence, and technological progress have created new demands on the foreign policy of our people.

Today the world community involves more than 160 independent countries. This community includes 130-odd developing countries which have changed the character of international affairs. It is a world characterized by population explosion which places tremendous stress and strain on economic development resources. It is a world in which 80% of the population will be living in Africa, Asia, and Latin America by the close of this century. It is a world of increasing interaction between existing social systems and national values and traditions. It is a world in which a single ideological or revolutionary model is fading.

The world today cannot be fully understood by focusing primarily on East-West competition in Europe. This competition is continuing. But it is con-

ceivable that in years to come the chief security concerns of the United States may not evolve around this East-West confrontation at all; rather, the chief area of potential conflict will be where East-West interests clash in the developing countries.

One of the priorities of the Carter Administration is to help shape a wider and more cooperative world community. Such a world system should include that one-third of mankind which lives under communism. The German Democratic Republic (G.D.R.) is one of the most important Communist states. Full normalization of relations with it would facilitate the assimilation of this country into the fabric of global cooperation.

The German Democratic Republic is a country of central importance to peace and security in Europe. It is the western-most extension of Soviet power and influence. It is a member of the Warsaw Pact. There are some 20 Soviet military divisions in the G.D.R. It shares a common border with our NATO ally, the Federal Republic of Germany (F.R.G.).

The German Democratic Republic has a GNP of \$70 billion. Its per capita GNP of \$4,000 exceeds that of the Soviet Union or any other East Euro-

pean country. It ranks ninth in the world in industrial production. It has a rich reservoir of scientific and technological manpower. The G.D.R. economy oriented toward the Soviet Union and other East European members of the Council for Mutual Economic Assistance. Like all industrialized countries it is increasingly dependent on the Third World for raw materials and markets.

The German Democratic Republic experienced a long period of isolation from the main Western channels of diplomatic intercourse following its proclamation as a separate state in 1949. This isolation reflected opposing alliances, differing ideologies, and a general atmosphere of mistrust which characterized East-West relations during the cold war era. Western perceptions of the G.D.R. were shaped by the rigid controls exercised by the G.D.R. in its internal affairs, particularly following the uprising of G.D.R. workers on June 17, 1953, and the erection of the Berlin wall on August 13, 1961.

Although the G.D.R. continued to place severe limitations on free speech and travel, improvements in the external political and psychological climate following the Quadripartite Agreement on Berlin and the Agreements between the F.R.G. and the G.D.R. and its Eastern neighbors facilitated the recognition of the G.D.R. by the leading Western Nations. Finally, on September 11, 1974, the United States and the German Democratic Republic agreed to establish diplomatic relations, a move which we considered to be in our best interests for a number of reasons.

Security Concerns

Our principal interests in the German Democratic Republic revolve around security concerns. These security concerns relate to the G.D.R.'s close and "irrevocable" relations with the Soviet Union, the nature of relations between the Federal Republic of Germany and the German Democratic Republic, and the behavior of the G.D.R. in and around Berlin. We have an interest in human rights improvement and detention which we see as mutually reinforcing concepts. We want a good atmosphere for the protection of the rights and property of American citizens. We also want the G.D.R. to play a constructive role internationally and to look upon the United States as a reliable supplier of agricultural and industrial products.

Therefore, in conducting our relations with the G.D.R. and its allies, we hope:

- To go beyond arms limitation to a

might be possible to reconvene the stalled Cyprus intercommunal talks sometime early in the spring.

My Administration has welcomed Prime Minister Ecevit's declared intention to move forward on the Cyprus issue, and we have expressed our readiness to give full support to the initiatives of the Secretary General. Secretary Vance stopped in Ankara and Athens on January 20-22, following a visit to the Middle East, and held very useful discussions on a number of subjects, including Cyprus.¹ The Secretary returned from these discussions convinced that both the governments of Turkey and Greece earnestly desired to work towards a Cyprus settlement.

The Turkish Cypriots, assisted by the Government of Turkey, are now preparing detailed constitutional and territorial proposals that could serve as a basis for resumed intercommunal negotiations. Our understanding is that these proposals may be completed sometime in March, and that negotiations between the two communities could be resumed by the Secre-

tary General sometime thereafter. Toward that end, the Administration has recently urged the Turkish Cypriot leadership and the government of Turkey to develop proposals that are sufficiently substantive and forthcoming to form a basis for genuine negotiation. We have at the same time encouraged the Government of Cyprus to regard the new Turkish proposals, together with the proposals tabled by President Makarios last year, as a basis for initiating a round of intensive, goodfaith negotiations which can lead to a narrowing of differences.

I strongly hope that productive Cyprus negotiations will be reconvened very soon. I am sure that all who wish to see peace, justice, and stability in Cyprus and in the eastern Mediterranean share this hope.

JIMMY CARTER □

Transmitted on Mar. 23, 1978 (text from Weekly Compilation of Presidential Documents of Mar. 27).

¹ For texts of Secretary Vance's remarks to the press in Ankara and Athens, see BULLETIN of Feb. 1978, p. 30.

al reductions of military forces and armaments;

- To go beyond uninhibited competition in the Third World by developing more stable and equitable North-South relations and by encouraging a general pattern of restraint and cooperation;

- To look beyond the postwar division of Europe to encourage more normal relations between governments and peoples of Western and Eastern Europe; and

- To gain acceptance that discussion of particular human rights matters, defined and agreed in the Helsinki Final Act sections on principles and human contacts, are a legitimate part of bilateral and multilateral diplomacy. This would presuppose both a G.D.R. willingness to engage in discussions with the United States on these matters and a conscious effort to move in the direction of greater, more positive compliance to specific Helsinki provisions.

Now the central purpose of G.D.R. foreign policy is to create and secure the most favorable international condition for the development of a Communist society at home. This means the G.D.R. will:

- Maintain a firm and invariable alliance with the Soviet Union and other Communist countries;
- Strengthen the Warsaw Pact;
- Define and use detente in ways that will advance G.D.R. objectives;
- Seek to develop and maintain multilateral and stable cooperation with all nations while promoting, where possible, the political, social, and economic goals of communism; and
- Increase its influence in the Third World by posing as an ally of national liberation movements.

The G.D.R. society and its foreign policy goals make it quite clear that both cooperative and competitive elements will be present in our relations for some time to come. The competitive elements stem from historical forces, philosophical pressures, geopolitical considerations, divergent political systems, and different values. At the same time, we have overlapping interests which constitute a basis for enlarging cooperation and regulating the competitive aspects of our relations.

The G.D.R. at all levels has expressed a profound interest in developing closer cooperation with the United States. This is probably important to the G.D.R. for two reasons. First, stronger ties would enhance the G.D.R.'s status in Europe and elsewhere. Secondly, the G.D.R. leaders may believe that the development of cooperation with the

United States will bring it benefits in trade and technology and, through selected exchanges, lead to a better understanding of the United States.

In the conduct of our relations through bilateral, multilateral, and other channels, we seek to engage the G.D.R. on a wide range of issues including disarmament, inter-German affairs, Africa, Middle East, North-South dialogue, human rights, humanitarian cases, trade development, cultural and scientific exchanges, consular convention, and claims.

The G.D.R. shares the view of most East Europeans that good U.S.-Soviet relations are a key factor in sustaining the process of detente which they see as important in maintaining a good atmosphere for the conduct of bilateral relations with the United States. The most important single aspect of Soviet-American relations is the Strategic Arms Limitation Talks (SALT). In these negotiations with the Soviet Union, an effort is being made to stabilize the military competition, to begin a downward turn to more sensible levels, and to slow down the introduction of new, less stable military technologies. We hope these negotiations will succeed this year; if so, they will contribute to U.S. security and improve the climate in which our relations with the G.D.R. can better develop.

A successful SALT negotiation could also enhance prospects for other arms control problems. We have made it clear that we favor effective measures which bring about arms limitation and disarmament based on the principle of undiminished security, a principle that is essential to success in the Vienna talks on mutual and balanced force reductions in central Europe. The G.D.R. views with satisfaction the progress which has been made in negotiations on a comprehensive ban on nuclear explosions. The G.D.R.'s participation in the International Nuclear Fuel Cycle Evaluation Organizing Conference is evidence of its concern and willingness to cooperate on nonproliferation.

We must continue efforts to enhance U.S. security through negotiations on disarmament and arms control. At the same time we must maintain NATO's relative military strength and promote Western European unity as the keystone of our foreign policy. Success in arms control and disarmament negotiations would obviously free resources to meet the growing human needs in both developed and developing countries and thus facilitate the construction of a more durable structure of global cooperation.

Our efforts to promote a system of global cooperation and regulate compe-

tion also includes diplomatic action and political negotiations.

Bilateral Relations

Central Europe. Let me stress here that central Europe remains the most crucial area of potential conflict. The German question has been the focus of much East-West conflict during the post-World War II period. Soviet and G.D.R. activities in and around Berlin have an important bearing on worldwide peace, security, and cooperation. Relations between the two German states also affect the broader East-West agenda and our efforts to go beyond the postwar division of Europe to promote greater mutual trust and cooperation.

Central Europe has been relatively stable since the four-power agreement on Berlin in 1971. The 1972 basic treaty between the Federal Republic of Germany and the German Democratic Republic made a significant contribution toward political detente in Europe. Under this treaty both states recognized each other's borders; they acknowledged each other's internal and external sovereignty. A number of negotiations are underway calling for practical cooperation in a number of specific fields. We continue to encourage peaceful cooperation between them and believe the normalization process will continue. We have also made it absolutely clear to the Soviets and the G.D.R. that the United States and its allies will continue to reject activities that bring into question four-power rights and responsibilities for Berlin.

Western Europe and Japan. In addition to West Germany, the G.D.R. has been making a concerted effort to improve its bilateral relations with other West European countries and Japan. Generally these relations are less than 5 years old. In a relatively short period, there has been a step-by-step development of these relations, including some state visits, political consultations at the foreign minister level, parliamentary delegations, visits of religious and trade union groups, trade expansion, cultural exchanges, and cooperation in science and technology.

Detente in Europe is a necessary but not a sufficient condition for the construction of a durable structure of world peace and cooperation. Detente must be reciprocal and comprehensive. I believe the G.D.R. recognizes that North-South issues are important and potentially explosive. Current conflicts in Africa and the Middle East could threaten East-West detente and international peace.

Africa. In Africa, the G.D.R. has not

been helpful or sympathetic to allied efforts to bring about a peaceful transfer to majority rule in Rhodesia and Namibia through negotiated settlement. It has consistently backed Soviet and Cuban activities that have served to increase the level of tension in other parts of the continent.

Middle East. In the Middle East, the G.D.R. generally hews to the Soviet line. It supports the radical Arab states, demands complete Israeli withdrawal from occupied Arab territory, and is wary of the peacemaking efforts of President Sadat and Prime Minister Begin, although it has so far refrained from attacking President Sadat.

For our part, we have endeavored to convince the G.D.R. that peaceful settlements of the current problems in the Middle East, the Horn of Africa, and southern Africa would free energy and resources for more humane purposes.

As a global power, the United States is also interested in a more just international economic system in order to meet human needs. Clearly the G.D.R. cannot isolate itself from global economic trends in view of its heavy dependence on foreign trade. As an industrial country short of raw materials, it will show increasing interest in markets and sources of supply in the Third and Fourth Worlds. I believe it would be desirable to encourage the G.D.R. to play a more constructive role in meeting the economic and social aspirations of the developing countries. Cooperation on North-South economic issues in pursuit of common interests could also be beneficial to East-West relations in addition to fulfilling social and economic rights.

Human Rights

In the conduct of our relations with the G.D.R. we have explained that human rights in general are a central component of American foreign policy. The G.D.R., like other Communist states, tends to see our espousal of human rights as interference in internal affairs. It is concerned about the impact of the policy on internal developments. We have explained that our human rights policy is not directed at any particular country but applies to all countries, including the United States. Also, no state which has signed the U.N. Charter or the Helsinki Final Act can argue that its behavior toward its own citizens is a matter within its exclusive jurisdiction. We have stressed that the Administration's human rights policy is consistent with fundamental American values and reflects the transformation that has occurred in American society.

As a member of a minority group in the United States, it is my hope that the G.D.R. will understand that the commitment of Americans to human rights is a strong moral and political force that must be taken into account in carrying out our foreign as well as domestic policies. I have no reason to doubt that we can carry on a dialogue with the G.D.R. on human rights in the spirit of cooperation and understanding rather than as a matter of ideological confrontation.

Despite earlier promises of cooperation by the G.D.R., many of the humanitarian cases involving American citizens and their relatives in the G.D.R. remain unresolved. G.D.R. action on these divided family, marriage, and emergency visitation cases would have a positive impact in creating a better climate for the conduct of bilateral relations, and I hope, therefore, that the G.D.R. will respond favorably in present and future cases of this type.

Cultural Exchanges

Let me turn now to the cultural exchanges between the United States and the G.D.R. which are expanding. Here it is important to note that the population of the G.D.R. is probably the best informed among the peoples of East Europe about events in the outside world because as much as 80% of the territory of the G.D.R. clearly receives not only radio broadcasts from across the border but three channels of television as well, and about 10 million West Germans visit relatives annually in the G.D.R. or travel as tourists. In our conversations in all parts of the G.D.R.—with workers, artists, scientists, and even officials—we experience a great interest, hunger, and appreciation for American society and culture.

In 1975 a U.S.-G.D.R. exchange agreement was negotiated under which some five academicians annually from both countries conduct research for periods of 3-4 months in the social and natural sciences. It is a mark of our progress that in the new agreement the number of exchanges was doubled.

In March I will open the first official cultural program we have arranged with the G.D.R.—an exhibit of some 300 photographs by the famous American artist Paul Strand. It will be on display at a Berlin museum for 6 weeks. In May we are planning two projects taking place concurrently—a week of American films covering some four decades of motion picture art and an exhibit of industrial design, which will also include a seminar conducted by five American professors of design technique.

In October, the United States will

have its first official musical presentation in the German Democratic Republic when the distinguished composed string quartet will perform a series of concerts throughout the country. The quartet, known throughout Europe for its performance of contemporary American chamber music, will give concerts not only in Berlin but in five other cities as well.

These programs represent the first cultural attractions arranged officially between our two governments and suggest some willingness by the G.D.R. to have its citizens experience at first hand some of the cultural accomplishments of our country. I might add also that the G.D.R. has arranged other events through commercial channels such as two concerts by the Duke Ellington orchestra, led by his son Mercer. At the Ellington concert in November in Dresden, I was pleased to witness the enthusiasm of the young people for the Ellington music, which exceeded anything in my experience.

An outstanding cultural event will take place this year in the United States which has great cultural and symbolic importance to our bilateral relations with the G.D.R. It is a magnificent collection of paintings, porcelain, jewelry, and armor from the Dresden museum that will open the new wing of the National Gallery of Art in our nation's capital. After 3 months, the exhibition will move on to the Metropolitan Museum of Art in New York; early in 1979 the exhibition will move to the fine art museums in San Francisco, thereby allowing Americans on both coasts to view what G.D.R. officials point out is the largest collection of art they have ever sent abroad to any country. I have seen these wonderful objects of art in Dresden and can assure you of the beauty and artistic value.

Economic Issues

The expansion and balancing of bilateral trade is probably an important G.D.R. objective in developing its bilateral relations with the United States. There are indications that its officials believe that enormous possibilities exist that would be beneficial to the G.D.R. Given the G.D.R.'s current economic situation, it has a keen interest, for example, in importing western technology, expanding credit from our banks, and increasing exports to the United States.

The United States has a very substantial trade surplus with the G.D.R.—in excess of \$300 million. This is helpful to our balance of payments and creates jobs for American citizens. Agricultural exports alone exceed \$360 million an

HUMAN RIGHTS:

The United States at Belgrade

Dante B. Fascell

For the last year and more President Carter's human rights policy has been a subject of continual comment, concern, and controversy in Washington and around the world. In the United States, especially, the Administration's stand has been repeatedly put through the wringer of pragmatic questioning. Is it working? What are the results? What has it cost? Where is the payoff?

Those questions are proper, of course. They are the tests we would use in judging any political investment, whether it be for national defense or international decency, for creating jobs at

home or promoting democratic values abroad.

Unfortunately, when we try to judge the efficacy of the policy against this standard of tangible achievement we inevitably get bogged down in partial and contradictory measurements. Which matter more—the release of thousands of political prisoners in Indonesia or the thousands more still detained in brutalizing conditions? Was it a plus to have martial law lifted in Nicaragua, or do we score it as a debit that people have been killed in riots there? Is the increase in the number of Jews and others permitted to leave the Soviet Union a tribute to our steadfast-

ness or a temporary and cynical gesture meant to buy off American public opinion for a few months?

Central Aspects

The fact is that facts mislead. The scorecard on human rights shifts so often that tallies which can be made to look good today can also turn dismal tomorrow. And the attempt to keep count of successes and of failures diverts us from what I think are the two central aspects of the pursuit of human rights.

The first has been cynically described as the "feel-good" quotient of

ally and play a major role in our life. It is of some significance to note that the G.D.R. is probably the world's most advanced country in coal gasification technology, which offers a potential for easing our energy problem.

The G.D.R. desires more balanced growth in trade with the United States. This will be difficult to achieve given the lack of most-favored-nation (MFN) tariff treatment—a status that the G.D.R. has not been able to achieve under the Jackson-Vanik amendment because of its restrictive emigration policies.

The G.D.R. is taking steps to develop the American market in the hope of eventually receiving MFN treatment to enhance its competitive position. The G.D.R. took the initiative in establishing the U.S.-G.D.R. trade and economic councils, which involve 20 major U.S. corporations. It has also sought to expand U.S. business contacts by mounting technical seminars in the United States and by opening an office in New York representing the BMW machine tool works.

The United States has taken a number of steps to expand trade with the German Democratic Republic. We participated in the world-famous Leipzig Fair with government-sponsored exhibits and business development offices. We encourage private trade promotion efforts at Leipzig. We sponsor technical seminars, maintain a commercial library, and provide counseling service and other assistance.

Our efforts to increase economic cooperation with the G.D.R. also include a fisheries agreement signed in

1976. Negotiations are underway for a parcel post agreement. We have held talks on patents. Our National Academy of Science and the G.D.R. Academy of Sciences have exchanged drafts for an agreement which appears imminent.

All these activities have helped promote mutual understanding and cooperation that serve our mutual interest.

Discussions are underway on a number of other steps that would create a better framework for bilateral cooperation and the normalization of our relations with the G.D.R. We are still in the process of negotiating a consular convention, an agreement that will be important to the protection of Americans traveling in the G.D.R. While showing some responsiveness to our suggestions for moving forward on property claims arising from nationalization and other seizures, the G.D.R. has been far less forthcoming in meeting its obligations to the victims of Nazism.

These are the principal elements of our relations with the G.D.R. from the perspective of a changing world.

In conclusion, I hope you will carry the following thoughts with you.

- Ours is a world of rapid change, competing ideals, conflicting ideologies, and abiding issues.

- It is a world in which mutual trust does not yet exist. As a people and as a nation we must remain strong at home, united in purpose, and strengthen cooperation with our allies in support of mutual security and our fundamental values.

- It is an interdependent world in

which peace and progress are indivisible.

- Our world of growing interdependence calls for creative and innovative approaches in using overlapping interests to enlarge areas of cooperation and to regulate competition in Europe, the Middle East, Africa, and other areas where East-West interests may clash.

- It is a world in which East and West should demonstrate more compassion for the poor and dispossessed—those who, through no fault of their own, are exposed to daily suffering and struggling to survive in the less developed world.

- A healthy world requires that we cooperate with our allies and potential adversaries in limiting arms and making progress on disarmament, for there is no realistic alternative to peaceful coexistence.

- The G.D.R. is part of this rapidly changing world, with a heightened interest in developing better bilateral relations with the United States. It remains our purpose to improve the framework for the conduct of our relations with the G.D.R., recognizing differences in ideologies and social systems and taking into account that detente must be both reciprocal and comprehensive. □

Based on an address at the University of Kentucky in Louisville on Feb. 16, 1978, in the second annual series of John Sherman Cooper distinguished lectures instituted by the Patterson School of Diplomacy and International Commerce. David B. Bolen is U.S. Ambassador to the German Democratic Republic.

the policy. It makes Americans feel good—after Vietnam and Watergate and other episodes of governmental deceit—to be on the side of the angels again.

I like the description, but I reject the cynicism with which it is applied. There is nothing wrong—and a great deal right—about a policy which reminds Americans of the values our history reflects. There is nothing wrong—and a great deal right—with the attempt to project those values again into the international arena as the expression of an American consensus about ourselves and our role in the world.

The second aspect of the policy is its nature as a long-term commitment. Advocacy of human rights is not a quick fix. The renewed American determination to defend civil and religious liberty, to seek broadened protection of individual rights and welfare holds no promise of easy victories. The effort is certain to be a long one, but so have been our programs to aid economic development around the world. The pursuit is likely to be frustrating, but so are trade negotiations or disarmament talks or the search for cancer cures or treatments.

We do not draw back from those endeavors just because the price is high in terms of patience and perseverance. Nor can we turn away from the pursuit of human rights because the goal remains distant. At his inaugural 17 years ago, John Kennedy asked Americans "... to bear the burden of a long, twilight struggle, year in and year out ... against the common enemies of man: tyranny, poverty, disease, and war itself." The struggle is still on, and it is too early to say for sure who is winning it.

The Belgrade conference [Conference on Security and Cooperation in Europe (CSCE)], now nearing its conclusion, however, gives me a chance to illustrate the conduct of human rights policy as part of that long, frustrating, but crucial "twilight struggle." The first formal meeting of the 35 Eastern, Western, and neutral states which signed the 1975 Helsinki accords on security and cooperation in Europe shows up all the problems of trying to keep a scorecard on human rights. It also demonstrates all the potential for gradual change that makes American policy one of hope and promise.

Background

Let me go back over some basic, recent history to put the Belgrade talks in perspective. The Helsinki accords themselves were the outgrowth of a

20-year-long Soviet effort to obtain formal recognition of the postwar boundaries of Europe. Moscow sought a peace treaty. It got instead a declaration of political resolve in which, as trade-offs for the recognition of the sanctity of existing frontiers, the West insisted on provisions for "a freer flow of people and ideas"—another goal of President Kennedy—across those frontiers.

When the long negotiations ended at the Helsinki summit, most Western observers thought and said that the Soviets had gotten the best of the bargain. The West acceded to the legitimacy of Communist conquest in Europe. In return, the East made undertakings to respect human rights and dignity but without the expectation that it could be held to the promises it made.

What happened, instead, was a remarkable turning of the tables. It was accomplished not by any brilliant strategists in Washington or at NATO but by a small band of intrepid Soviet citizens who began to say out loud—so that the rest of the world could hear—that the Soviet Union must make good on its own laws and its Helsinki commitments. Their demands made us respond. It was they—members of what has come to be called the Soviet Helsinki Watch and, later, the signatories of Charter '77 in Prague—who made the West aware of the value of Helsinki.¹

A year ago yesterday [February 23, 1977] when the Helsinki Commission held its first public hearings in Washington on human rights, former [U.S. Representative to the U.N. Commission on Human Rights] Ambassador Leonard Garment summed up what had happened: "... the existence of a formal, written document, to which the Eastern regimes gave their public consent and their formal stamp of legitimacy, has made a difference. The words matter and are beginning to move human minds," he testified. Then he added: "Perhaps we in the West, who pay such frequent tribute to the worth of ideas, should be a little embarrassed that at the time of Helsinki we entertained such a low opinion of their power."

By the time of Belgrade—the substantive part of which began last October—our opinion had changed. We in the West approached the conference as a significant test of our ability to give and get an account of the progress promised in the Final Act, the formal name of the Helsinki document.² And from the East—in a few areas of Helsinki undertakings—we could already see surface gestures of compliance.

Those gestures were made with an eye to Belgrade, out of concern for what would be said there if there were no signs of movement. The gestures included the amnesty of political prisoners in Romania, Poland, and, later, Yugoslavia. The rise in the emigration figures from the Soviet Union and other countries were also gestures toward the Helsinki promise to "facilitate" the reunification of divided families. The sale of a few more Western papers and magazines and the easing of travel restrictions on some Western journalists also constituted gestures in the field of information.

For the scattered positive signals, however, there were balancing negative acts. Journalists could get around with greater ease perhaps, but they could also be subjected—and were in the Soviet Union and Czechoslovakia—outrageous harassment. New applications for exit visas could be processed with greater speed, but many with applications long pending could be—and were in the U.S.S.R.—treated with brutal and renewed contempt. Finally, and most tragically, 16 of the 43 members of the Soviet Helsinki Watch have been jailed for daring to raise their voices and demand domestic compliance with international human rights standards.

On the second anniversary of the signing of the Final Act, the U.S. Commission [on Security and Cooperation in Europe] issued its comprehensive report on compliance.³ In a conclusive judgment, it found: "Progress has been inadequate. Measured against either the hopes voiced at the Helsinki summit or the need for smoother and more stable relations among the signatories, the implementation of the Final Act has fallen short."

U.S. Goals

That judgment formed the background of the U.S. effort at Belgrade—an effort made up of two parts. The first part was simply to register our dissatisfaction with the pace and quality of progress under the Final Act, especially its human rights and humanitarian provisions. But beyond holding the Communist states to account for their nonperformance, the second American goal was to seek reaffirmation of the common Helsinki commitments themselves, to stimulate better behavior on the examination of the imperfect past record.

Registering Dissatisfaction. The first goal has been fully met. In fact, the first 11 weeks of the conference brought a welcome bonus. In the period devoted to the review of Final Act implementation, the firm U.S.

voice of Justice Arthur Goldberg Chairman of the U.S. delegation to the [SCE] was joined by that of many Western and neutral spokesmen in a persuasive chorus of concern on the issue of human rights.

The Communist delegations tried to blunt this assault, but failed. They argued first that the Final Act itself made any criticism of their domestic conduct off limits, because the accords banned "interference" in internal affairs. The West, however, showed clearly that human rights are matters of international agreement, of specific Final Act pledges, and thus not purely issues of domestic competence.

Then when Justice Goldberg cited the treatment of specific individuals—Charter '77 signers jailed in Prague or Soviet dissenters such as Yuri Orlov, Aleksandr Ginzburg, Anatoli Shcharanskiy, and Andrei Sakharov—the Soviets made a feeble attempt to rebut us with "you're-nothing" arguments. Guilty of racial discrimination, of imprisoning the Wilmington 10, of letting millions go to prison—even, they said in apparent seriousness, of executing Sacco and Vanzetti 50 years ago—the United States had no right to lecture others on respect for human rights.

I do not claim that these exchanges make up a dialogue. Obviously, on both sides, there was much more given than taken. But the Belgrade review period did something no other international meeting has done: It broke the silence barrier on human rights. Diplomats found themselves talking about a subject they generally prefer to duck, at having been confronted with the issue, they found no way to put it aside. Instead, because the Helsinki process is continuing one and the Belgrade talk will be revived when the signatories meet again in Madrid in 1980, human rights has won a place on the international agenda it should have had long ago.

Reaffirming the Final Act's Importance. I want to discuss the importance of that precedent in a moment, but first let us look at how far we have gotten with our second goal: reaffirming the Final Act's importance as a means of stimulating improved performance. Barring new developments today, the Belgrade conference's concluding document has not yet been agreed upon.⁴

But it has now become obvious to all that the Soviet Union and its closest Warsaw Pact allies are inalterably opposed to a document of real substance. We have worked hard for such a document throughout the proceeding in the face of Soviet intransigence. At a

minimum the concluding document will note that delegates met and talked and that they will meet again and talk again in Madrid.

So brief a concluding document would be a disappointment to many. But I do not believe that the final communiqué should be considered the sole—or even the main—measure of the impact of the Belgrade meeting. Certainly, it would have been better to have a conference document of real political substance that gave a candid assessment of implementation, reaffirmed the commitment to all provisions of the Helsinki accords, and marked out specific areas for improved performance. But given the rule of consensus, under which each country has effective veto power, a strong Belgrade concluding document was never in the cards.

Future Courses of Action

Nevertheless, what has emerged has the potential for being just as valuable. After Belgrade comes Madrid, another occasion to insist on implementation of the Final Act, to hold up the record for candid review, to try and win the fresh commitments that could not be achieved at Belgrade. And after their experience at Belgrade—that of being forced to hear out their critics—the Communist states must be even more determined than before to avoid a second round of diplomatic embarrassment.

They have two roads to choose from. One is to renounce the Helsinki process, to boycott the Madrid meeting, or so rewrite its rules that it becomes an empty exercise. The other is to show a measure of good-faith implementation between Belgrade and Madrid that deflates criticism and lightens the international atmosphere.

Neither alternative is attractive. The Helsinki accords were meant to be a capstone of the Brezhnev detente policy. To turn away from them is to pronounce that policy a failure.

The other choice—that of heeding the concerns voiced at Belgrade and moving to remedy the practices which drew such heavy fire—is not easy either. It would mean, over the long run, according the individual real protection against monopoly state power. To do so would be to invite more challenges against Communist rule in its present form, to tolerate that very diversity which every dictatorship must deny.

There is, of course, one other way for the Soviet Union to slip from between the rock and the hard place where, on the human rights-Helsinki issue, it is now held. That is for the West

and the United States, in particular, to relax the pressure for Helsinki compliance so forcefully brought to bear in Belgrade.

We could slip into that path too easily. We could say that we asked too much from Belgrade, got too little, and need to try another course. We could go further—in our impatience for results that can be totted up on a scorecard—and pronounce the whole push for human rights standards a profitless game. And thus we could let the Soviet Union, for one, off the hook.

But I said earlier that we had set an important precedent at Belgrade in legitimizing international, diplomatic treatment of concrete human rights issues. The precedent is one we must observe as well as insist that others acknowledge. If we change our signals now because of dissatisfaction with the Belgrade outcome, we lose the new ground onto which we moved ourselves and the East-West relationship.

The precedent set at Belgrade is only as valuable as the followup to it. Having won the right to speak out on the importance of our values to our security and the ordering of a real detente, we cannot afford to turn away, back into silence.

We have found in Helsinki a framework in which to pursue a policy which both feels good and can do good. The patience to put up with the slow pace of results from that policy is something Americans have yet to learn.

Along the road we are certain to have anxious moments and even setbacks of our own. But the road toward international respect for human rights is the right one for us to be traveling. At Belgrade we began the trip with honor and realism. We are moving in the right direction. □

Address to the Chicago Council on Foreign Relations on Feb. 24, 1978. Congressman Fassel was Deputy Chairman of the U.S. delegation to the Belgrade meeting and is Chairman of the joint congressional Commission on Security and Cooperation in Europe.

¹The Helsinki Watch in the U.S.S.R. and Charter '77 in Czechoslovakia are private groups established to monitor compliance with the Helsinki Final Act.

²For text of the Final Act, see BULLETIN of Sept. 1, 1975, p. 323.

³The report, *Implementation of the Final Act of the Conference on Security and Cooperation in Europe: Findings and Recommendations Two Years After Helsinki*, was transmitted to the House Committee on International Relations. It is a committee print dated Sept. 23, 1977, available from the U.S. Government Printing Office, Washington, D.C. 20402 at a cost of \$2.75.

⁴The conference's concluding document was issued in Belgrade on Mar. 8, 1978; for text, see BULLETIN of Apr. 1978, p. 40.

MIDDLE EAST:

A Status Report on the Peace Process

by Alfred L. Atherton, Jr.

The 30-year search for peace between Arab and Jew in the Middle East has been called a history of lost opportunities. I leave it to others to argue the question of who was responsible for losing which opportunity in the past. Our concern as a nation, and as a friend of both sides to this tragic and intractable conflict, must be with the opportunity of the present and the promise of the future.

For a brief dramatic moment last November [19-21], the world saw a vision of what that future could be, when President Sadat of Egypt met with Prime Minister Begin of Israel in Jerusalem, and in December [24-26] when they met again in Ismailia. Today many ask—what has gone wrong? Why have the hopes of November turned to frustration and disappointment, to charge and countercharge?

I would suggest to you that nothing has gone irretrievably wrong. Indeed, some morning-after reaction to the heady experience of those first moments of genuine breakthrough was probably inevitable. What has happened, quite simply, is this: The effort to transform those moments of vision into a dynamic process of reconciliation through negotiations has come face-to-face with the reality that the underlying issues which have blocked progress for so long are still there—that hard decisions involving fundamental premises and policies are ultimately unavoidable. But the opportunity for progress is still there to be seized because of one overriding fact. The global and the regional context within which those issues are now being addressed is no longer what it was for much of the history of the Arab-Israeli conflict. President Sadat's offer to visit Jerusalem, and Israel's spontaneous response to that initiative, have transformed the situation.

Whether this opportunity is lost or won depends in the first instance on the wisdom and courage of the leaders and peoples of the Middle East. It depends on the sense of responsibility of the international community. It depends on the willingness of the major powers, above all, not to seek unilateral advantage in a situation fraught

with danger for the entire world. And it depends upon the ability of this country to steer a steady and fair-minded course, true to our commitments to our friends in the area and to our shared vision of the future, even when friends on one side or the other of the conflict may differ with us. President Carter has charted such a course. To succeed, he needs the understanding and support of the American people and of their representatives in the Congress.

I cannot tell you today what will happen in the future or even precisely what the next steps in our diplomatic efforts will be. These will depend upon the results of consultations with the parties to the conflict which are still in progress. I can, however, use this occasion to examine with you the basic issues that the United States and the parties to the conflict are facing and to describe the active role the United States is playing.

U.S. Concerns

Let me first talk for a moment about why peace in the Middle East is important to the United States and to the world community—and about why our country is so deeply involved in the diplomatic effort to achieve the goal of peace.

For the United States, involvement in the search for peace in the Middle East is not a matter of preference but a necessity and a major responsibility. A responsible American policy for the Middle East must assure that we retain the capacity to influence the course of events there commensurate with our responsibilities as a major power. The United States, with the goodwill which it uniquely has among all the parties in the Middle East, is in a position to help shape events, to help prevent wars, and to help the parties find their way along the hard road to a negotiated peace. To continue to play this role, we must pursue policies which take into account the broad range of American concerns and interests in the Middle East.

It is therefore important, as a starting point, to identify what those concerns and interests are.

First, we have an interest, dictated by our global responsibilities in this

nuclear age, to prevent conflict in the Middle East from again becoming flashpoint of superpower confrontation. More basically, we have a interest in conducting our relationships with other great powers so as to prevent a shift in the global balance of power which itself could invite confrontation.

Second is our strong commitment to the security and survival of Israel. It is a commitment rooted deeply in our history and in our moral values as a nation. It has been reaffirmed in every Administration in this country since the modern State of Israel came into existence 30 years ago. It is our conviction that Israel's security over the long term can best be assured by peace treaties which resolve Israel's differences with its Arab neighbors and commit them to live at peace with Israel.

Third, a mutually beneficial relationship with the major nations of the Arab world is essential. They hold the key to their own defense against outside domination or domination by radical forces in the Middle East, as they look to us for help in maintaining their own security and independence. The oil which some of them produce is literally vital to our allies in Western Europe and Japan and is increasingly important to us. Their economic and financial power—through the level of oil prices and their large financial reserves—makes them important partners in the effort to maintain worldwide economic order. In the course of our relationship, thousands of Arab students, professionals, and technical experts are trained every year in the United States, and jobs are created in this country by the growing volume of exports to, and investment in, Arab countries. Our relations with the Arab world, wisely nurtured, can enhance our ability to strengthen the forces of moderation in the Middle East and advance the cause of peace.

Fourth, in the deepest sense, our concern for human rights also dictates efforts to end a conflict which has taken countless thousands of innocent victims and has deflected the nations of the area from using their bountiful resources and talents for bettering the lives of their peoples.

Fundamental Issues

Next, what are the fundamental issues which must be dealt with if there is to be tangible progress toward peace? Briefly stated, the issues are these.

- Israel seeks from the Arabs recognition of its legitimacy and right to exist, with all this implies—an end to belligerency, an end to threats of force, and commitments to live together in peace and security.
- The Arab states seek the restoration of occupied territories and a just solution of the Palestinian problem.

An equitable and durable solution to these issues can only be hammered out through a process of negotiations between the parties. Prior to the May war of 1967, no real basis for peace negotiations existed. The Arabs refused to accept the existence of Israel, much less contemplate making peace with it. Since no basis for negotiations existed, U.S. policy had to focus more on containing area tensions than on helping to resolve them. The 1967 war began to change that. In 16 days Israel not only proved beyond all doubt that it was there to stay, but it also ended up occupying Arab territory stretching to the Golan Heights of Syria, the Jordan River, and the Suez Canal. Slowly, meticulously, painfully, the United States and other like-minded members of the international community working with the parties to the conflict in the months immediately following the war launched intensive diplomatic efforts to translate this new situation into the long-sought basis for genuine peace negotiations.

U.N. Resolution 242

The result was U.N. Security Council Resolution 242, adopted unanimously by the Council in November 1967. Here for the first time in 20 years was spelled out the framework for a settlement of the Arab-Israeli conflict. That resolution was and remains the basis for all the peace-making efforts over the past decade. At its heart is a very simple formula: In return for Israeli withdrawal from territories occupied in the 1967 conflict, the Arabs will recognize Israel within a framework of peace and security agreed by both. It calls for a just and lasting peace based upon the right of every state in the area to live in peace within secure and recognized boundaries and upon Israeli withdrawal from territories oc-

cupied in 1967. Resolution 242 is clearly a package. The parts are linked together to make a balanced whole, to be carried out together or not at all.

That having been said, let me note what Resolution 242 does not do. It does not define secure and recognized boundaries. It does not call for withdrawal from "all" occupied territories or "the" occupied territories. It does not require Israel to give up every inch of occupied territory. Neither, however, does it preclude Israeli withdrawal to the lines of 1967.

In the final analysis, this issue can only be resolved in agreements negotiated by the parties. The emphasis of Resolution 242 taken as a whole, however, is clear. The emphasis is on establishing conditions of peace and security based upon the concept of withdrawal-for-peace. It is also clear that all the principles of Resolution 242, including the principle of withdrawal, were intended by its authors, and understood at the time by all the governments con-

For the United States, involvement in the search for peace in the Middle East is not a matter of preference but a necessity and a major responsibility.

cerned, to apply wherever territory was occupied in 1967. In other words, the withdrawal-for-peace formula applies to all fronts of the conflict. I will revert to this point later to explain its relevance to the current negotiations.

That brings me to a second issue relating to Resolution 242. That resolution does not deal in a comprehensive way with a solution to the Palestinian problem. In the decade since the passage of the resolution it has become inescapably clear that a solution to the Palestinian problem is essential in reaching a lasting settlement of the Middle East conflict. No party to the conflict today disputes that the Palestinians have a sense of identity which must be taken into account. President Carter has recognized this by speaking of the need for a homeland for the Palestinians. In our own view, no settlement in the Middle East can endure, for Israel and Arab states alike, which does not include a just solution of the Palestinian problem in all its aspects.

U.S. Role

Let me now turn to the role of the United States in the search for peace in the Middle East. Soon after President Carter took office he decided to seek a new approach. For the first time in 30 years all the major parties to the dispute were ready to negotiate a comprehensive settlement. One of his first foreign policy decisions was to send Secretary Vance to the area. The Secretary obtained agreement from the governments involved that the three issues I have outlined lie at the core of the dispute and have to be resolved in an overall settlement:

- The nature of peace;
- Withdrawal from occupied territories in conjunction with security arrangements that will make recognized boundaries also secure boundaries; and
- Resolution of the Palestinian problem.

Beginning in March 1977 in Clinton, Massachusetts, the President, and subsequently other Administration officials, have laid out our thinking on these issues.¹ We did this not to put forward an American blueprint or plan for a settlement but to help stimulate the thinking of the parties about new ways to overcome old obstacles to the peace process. Let me elaborate a bit on our thinking about each of these three issues.

First, the definition of true peace. Peace does not mean simply a cessation of hostility or belligerency. It means open borders, normal commerce and tourism, diplomatic relations and a range of official and unofficial contacts, free navigation through waterways, and an end to all boycotts.

The United States regards normal relations among the parties as an indispensable component of a lasting settlement. The keystone of this is the recognition of Israel's right to exist permanently and formal recognition of its nationhood.

Second is the dilemma of providing borders that are both secure and acceptable to all. This is the other half of the withdrawal-for-peace equation set up in Resolution 242. Israel, which has fought for its very existence for 30 years, must be able to feel secure within recognized borders. But borders that might give Israel the greatest sense of security in geographic and military terms are not those acceptable to Israel's neighbors. They could not, therefore, provide true security.

We understand the very real security concerns posed for Israel by withdrawal from occupied territory. But we also believe that without withdrawal, coupled with meaningful security arrangements, there can be no peace; and without peace between Israel and its Arab neighbors, Israel can have no true security. The goal has to be the territorial integrity and sovereignty of all states in the area.

Third is the issue of the future of the Palestinian people. To achieve a durable peace, the Palestinians must demonstrate a willingness to live in peace with Israel. At the same time, a durable peace requires meeting the humanitarian needs of the Palestinian refugees, responding to the aspiration of Palestinian Arabs for an identity of their own, and agreement on the future status of the West Bank and Gaza where the largest single group of Palestinian Arabs live.

This is not a simple question. It involves vital security considerations for Israel which must be taken into account. At the same time, it also involves interests of other Arab states, in particular Jordan and Egypt. And it involves the interests of the Palestinian Arabs themselves, over one million of whom reside still in the West Bank and Gaza.

A way must be found for the Palestinians to participate in the determination of their own future. Any solution, if it is to be viable and lasting, must be based ultimately on the consent of the governed.

Because this issue is so complex and no instant solution seems possible, we have suggested that there need to be interim arrangements for the West Bank and Gaza agreed between Israel and Jordan, Egypt, and Palestinian representatives. During this interim period an ultimate solution can be worked out combining security for Israel and its neighbors and a territorial solution which will not leave a residue of irredentism to ferment and threaten the peace in the future. Our own view is that an independent Palestinian state in this truncated territory would not be a realistic or durable solution and that its future should lie in a close link with Jordan.

The Approach Toward Peace

These, then, are the issues, and these are our general views about them. Let me now discuss briefly how this Administration has approached them with the parties in the peace process. For it is clearly a process. Nothing stands still in the Middle

East. Matters are always moving—toward peace, or toward war, so long as the basic conflict is unresolved. Despite the apparent deadlock, the deep differences, and the cycle of violence so tragically reflected in the terrorist attack recently in Israel and the subsequent Israeli move into southern Lebanon, we still believe the dynamics of the process are at work toward a negotiated peace.

What we are seeing today, for the first time in the history of the conflict, are genuine attempts by key parties involved to come to terms. Real negotiations have commenced. We are also seeing an unprecedented public debate over the core issues of the Arab-Israeli conflict. Given the depth of hostility and suspicion which underlie that conflict, and the painful decisions needed to make negotiations succeed, no one should expect results overnight.

Efforts to get the negotiations moving have gone through several phases over the past year. Initially, they focused on seeking to reconvene the Geneva Middle East Peace Confer-

... the key differences remaining to be bridged relate to the issue of withdrawal and an approach to the Palestinian problem, including the future of the West Bank and Gaza.

ence, which was established and met briefly after the 1973 Arab-Israeli war and which remains the ultimate framework for a comprehensive peace settlement.

Efforts to reconvene the Geneva conference last year, however, encountered sharp differences among the parties on a number of procedural issues, in particular the question of how the Palestinians should be represented. Israel took the position that the Palestine Liberation Organization (PLO) was not an acceptable negotiating partner. In this we supported Israel, in view of the PLO's nonacceptance of Resolution 242 as the basis for negotiations and its refusal to state publicly its willingness to recognize the right of all states in the area, which include Israel, to live in peace within secure and recognized boundaries.

Then, suddenly, President Sadat transformed the situation with his historic trip to Jerusalem last November. His initiative did not resolve the basic

issues in dispute. But at one stroke he sought to break down the psychological barriers which had prevented serious negotiations.

For the first time, the leader of an Arab state demonstrated not by words alone but by a tangible act his country's acceptance of the peace-for-withdrawal formula of Resolution 242. He recognized in an unprecedented official and public act Israel's sovereign existence. He put Egypt in the forefront of the Arab world in accepting the concept of the nature of peace as President Carter has defined it, and as Israeli leaders themselves over the years have envisaged it as Israel's goal in negotiations. In doing so, President Sadat opened up possibilities that never before existed to break out of the 30-year cycle of war and truce in the Middle East.

President Sadat made clear, and Israel agreed, that what he had done was not done for Egypt alone, but to create a new psychological climate in which there can be progress toward peace between Israel and all its neighbors. Whether other Arab leaders will seize the opportunity thus created remains to be seen. Some have reacted with open hostility, some with suspicion, some want to wait and see—but some also have wished Egypt well and are giving its peace initiative their support.

What is important today is to insure that this moment not become another lost opportunity. The United States from the beginning has supported Egyptian-Israeli negotiations. Our efforts are directed toward assuring, first, that there is tangible and early progress in the negotiating process begun by Egypt and Israel in Jerusalem last November, and second, that out of this process there emerge a basis and an incentive for the negotiations to be broadened to include other Arab parties. Both Egypt and Israel have stated that this is also their objective.

Since November, the negotiating process has proceeded on two tracks. Following an initial preparatory conference in Cairo in December, attended by Egyptian and Israeli delegations and also by representatives of the United States and U.N. Secretary General Waldheim, Egypt and Israel agreed to establish two committees at ministerial level.² A Military Committee was convened in Cairo to negotiate essentially Egyptian-Israeli bilateral issues. A Political Committee was convened in Jerusalem to negotiate multilateral Arab-Israeli issues. The United States participated in the Political Committee and, when

May 1978

President Sadat withdrew his delegation, has continued as a middleman with the support of both to seek to advance the work of the Political Committee through a process of indirect negotiations.

The immediate focus of the Political Committee is the negotiation of a declaration of principles for a comprehensive peace settlement, building on Security Council Resolution 242, which can serve as a framework for negotiations between Israel and any of its other neighbors which are prepared to move toward peace, as Egypt has demonstrated it is prepared to do.

With a large measure of agreement already achieved on those principles dealing with the nature of peace and recognition of Israel, the key differences remaining to be bridged relate to the issue of withdrawal and an approach to the Palestinian problem, including the future of the West Bank and Gaza.

The important talks which President Carter has had in recent months with President Sadat and with Prime Minister Begin have helped clarify the differences that have to be resolved. The issues to be decided are on the table for all to see. We believe the point has come where painful compromises have to be made if the promise of peace is not to be lost.

It is no secret that we have differences with the Israeli Government about what is required to move forward on negotiations, just as we have had in the past—and expect to have in the future—with Arab governments negotiating issues of critical importance to them. The fact that we can talk frankly and openly with Israel about these differences testifies to the closeness of our friendship.

To be concrete, we have a basic difference with the Israeli Government over the applicability of the withdrawal principle in Resolution 242 to all fronts of the conflict. I noted earlier that the authors of Resolution 242 and all the governments concerned, including the Government of Israel, understood at the time that the withdrawal-for-peace concept applied wherever territory was occupied in 1967.

The present position of the Israeli Government is that this concept does not apply to all fronts. Specifically, it is not so far agreed that, in the context of a final peace treaty embodying commitments to normal peaceful relations and agreed security arrangements which can include agreed border modifications, Israel will withdraw from any of the West Bank or the Jordan River and Gaza—the

parts of former Palestine lying outside Israel's 1967 boundaries.

This new Israeli interpretation of Resolution 242, together with the policy of establishing Israeli settlements in occupied territory, has complicated efforts to make progress in the negotiations between Egypt and Israel. It has also inhibited efforts to broaden those negotiations to include other Arab parties, in particular Jordan and Palestinian representatives who, together, have an interest in negotiations relating to the future of the West Bank and its Palestinian Arab inhabitants.

We realize that the withdrawal-for-peace formula as it applies to the West Bank and Gaza, and the Palestinian issue generally, are the most difficult issues for Israel. In all our deliberations, we constantly have before us the very real security questions posed for Israel. We cannot conceive of any formula the United States—or Israel—could accept which did not make fullest provision for these security concerns as part of a peace settlement.

To supplement the commitments and security arrangements the parties may agree to incorporate in peace treaties between themselves, and if we judge it essential to cement final agreement, we have said we are prepared to consider whatever bilateral U.S. security guarantees Israel may consider desirable as part of the peace settlement. This would, of course, be done in close consultation with the Congress in full consonance with its constitutional authority and responsibilities.

In closing, let me say a word about where the negotiating process now stands. During his recent talks in Washington with Prime Minister Begin, President Carter put forward some exploratory ideas on how to bridge the differences in the negotiations. In doing so, we took into account the proposals—in many respects far-reaching proposals—which Prime Minister Begin advanced in December for a Sinai agreement with Egypt and for a self-rule regime in the West Bank and Gaza. We said then, and say now, that in our judgment those proposals represent a good first step and a basis for negotiations.

We understand the need for time for our ideas and these issues to be discussed and debated within Israel's democratic political process. We know that our ideas—dealing as they do with the key issues for Israel of security, withdrawal, the Palestinian question, and the future of the West Bank and Gaza—require agonizingly

difficult choices to be made. We hope nevertheless that our ideas will commend themselves to Israel, because we believe they offer the possibility—perhaps the only possibility—for renewing the momentum of the Egyptian-Israeli and ultimately the overall Arab-Israeli negotiating process.

We are meanwhile gratified that direct Egyptian-Israeli talks were resumed through the visit last week [March 30–31, 1978] of Defense Minister [Ezer] Weizman to Cairo. We are also gratified that progress is being made, with the help of the courageous men of the U.N. Interim Force in Lebanon and the efforts of the Lebanese Government itself, toward calming the potentially dangerous situation in south Lebanon—a situation which can otherwise have serious adverse effects on the prospects for regional peace.

I return in the end to where I started. When an Egyptian President has visited Israel and an Israeli Prime Minister has visited Egypt, when the President of the United States has engaged the authority of his office and the weight of the United States in the search for a just and lasting peace in the Middle East, can there be any doubt that an unprecedented opportunity exists to make progress toward that long elusive goal? At the same time there are strong forces—forces of historical distrust and suspicion, of bitterness and violence, of national ambition and ideological commitment, of perceived injustices on both sides—which are working against the success of all that we and our friends in the Middle East are seeking to achieve. And time is on their side, not ours. We must not, we do not intend, to let this moment in history become simply another lost opportunity. □

Address before the Atlanta Foreign Policy Conference on U.S. Interests in the Middle East on Apr. 5, 1978. Mr. Atherton was Assistant Secretary for Near Eastern and South Asian Affairs; on Apr. 6, the Senate confirmed the President's nomination of Mr. Atherton as Ambassador at Large with special responsibility for Middle East peace negotiations.

¹ For excerpts relating to foreign policy from President Carter's opening remarks and question-and-answer session at the Clinton, Massachusetts, Town Hall, see BULLETIN of Apr. 11, 1977, p. 334.

² For a chronology of Middle East events during November, December, and January, which includes participants in various meetings and committees, see BULLETIN of Dec. 19, 1977, p. 880; Jan. 1978, p. 401; and Feb. 1978, p. 37, respectively.

Terrorist Attack In Israel

STATEMENT BY PRESIDENT CARTER¹

The terrorist attack on a bus today [March 11] in Israel was an outrageous act of lawlessness and senseless brutality. Criminal acts such as this advance no cause or political belief. They inspire only revulsion at the lack of respect for innocent human life.

LETTER TO PRIME MINISTER BEGIN²

March 11, 1978

Dear Mr. Prime Minister:

It was with a sense of deep personal shock and moral outrage that I learned of the cowardly and senseless attack today on a group of innocent civilians. This brutal act of terrorism will surely be met with universal revulsion by all men of conscience. I know the pain and distress which you must be experiencing at this tragic moment, and I offer you the condolences and deep sympathy of myself, and all of the American people, who share your sorrow. Please give my personal sympathy to the families of the many who died and to those who were wounded. I am particularly distressed that an event such

as this should occur just as you were preparing to depart on your mission of peace. I continue to look forward to talking to you soon and relaying to you in person the deep emotions which this event has aroused in this country. In the meantime, please accept, Mr. Prime Minister, my deepest and most heartfelt condolences.

JIMMY CARTER

STATEMENT BY SECRETARY VANCE³

We condemn the outrageous attack committed by terrorists in Israel this morning, which resulted in extensive loss of life. This is murder and cannot be justified. The perpetrators should receive the punishment they deserve.

I offer my condolences for this tragic loss of life. We oppose terrorism in all its forms, and this incident only serves to strengthen our determination to combat terrorism with every means at our disposal. □

¹Issued on Mar. 11, 1978 (text from Weekly Compilation of Presidential Documents of Mar. 20).

²Text from Weekly Compilation of Presidential Documents of Mar. 20, 1978.

³Issued on Mar. 11, 1978

raeli withdrawal. At the United Nations and elsewhere, we have been discussing possible arrangements, including the idea of a U.N. role, and will continue urgent exchanges on this subject with the parties in the Middle East.

The territorial integrity of Lebanon remains a matter of fundamental concern to the United States. An important objective in our current efforts is the extension of the authority of the Government of Lebanon to south Lebanon. Any arrangements will have to be consistent with this objective and with the decisions of that government.

DEPARTMENT STATEMENT, MAR. 20²

The U.S. Government has decided to respond immediately to the request of the Government of Lebanon for assistance in dealing with the tragic situation of the people displaced by the fighting in Lebanon. There are over 150,000 people who have been forced to flee the fighting. They are in urgent need of shelter, blankets, and other relief supplies.

The U.S. Government intends to make a substantial contribution to assisting those in need. As a first step we are now moving to send tents and blankets to Lebanon by air. We are consulting with the Government of Lebanon about additional needs. More detail will be provided on the exact nature of U.S. assistance and its magnitude in the days ahead.

LETTER TO THE SPEAKER OF THE HOUSE

April 5, 1978

Honorable Thomas P. O'Neill, Jr.,
Speaker, House of
Representatives
U.S. Congress

Dear Mr. Speaker:

Pursuant to section 3 (c) of the Arms Export Control Act, I am providing the following information with respect to Israel's military operations in Lebanon that began on March 15.

Those operations have involved use of defense articles furnished to Israel by the United States under the foreign military sales program. Sales to Israel under this program are governed by the Mutual Defense Assistance Agreement of July 23, 1952, which provides:

"The Government of Israel assure the United States Government that such equipment, materials, or services as may be acquired from the United States . . . are required for and will be

Southern Lebanon

DEPARTMENT STATEMENT MAR. 16¹

The President and Secretary Vance have been in close touch on the situation in southern Lebanon, and the President instructed the Secretary to report our position to the American public.

At the outset let me say we deplore this new cycle of violence which erupted in the tragic killings in Israel on March 11, 1978, and continued with the military action and tragic loss of innocent civilian lives in Lebanon over the past 2 days.

During the intensive consultations with other governments which we have already described, our immediate concern has been to end as quickly as possible

this most recent cycle of violence in the Middle East so as to keep attention focused on the basic problems which produced it. The only real solution to these problems lies in the broader search for a comprehensive settlement of the Arab-Israeli conflict in all its aspects and for measures which would restore long-term stability in Lebanon. We do not intend to be distracted from efforts to resolve these basic problems.

As to the situation in southern Lebanon, we expect Israel to withdraw, and we have made our views in this respect known to the Israeli Government. We have also begun consultations on arrangements that could promote stability and security in that area following Is-

Prime Minister Begin Visits the U.S. March 20-23

WHITE HOUSE STATEMENT¹

President Carter and Prime Minister Begin met with their advisers this morning in the Cabinet Room for 2 hours.

The President and Prime Minister had a thorough discussion on the issues that must be resolved in order to assure continuity and progress in the peace negotiations. In particular, they have reviewed the status of negotiation on the declaration of principles for a comprehensive peace, and they have examined the question of the West Bank and Gaza.

The President reiterated his pledge to the parties to support and assist in every way the process of peace negotiations and reaffirmed the unswerving American commitment to the security of Israel. He expressed the view that, despite the recent increase in violence in the area, there remains a deep conviction that renewed progress toward peace is essential and that the door to progress remains open. He urged all those involved to seize this opportunity and to make the historic decisions on which peace now depends.

The President and the Prime Minister will meet again this evening and tomorrow.

DEPARTURE REMARKS²

President Carter

The visit of Prime Minister Begin at his discussions with me and the

and solely to maintain its internal security, its legitimate self-defense, or to permit it to participate in the defense of the area of which it is a part, or in United Nations collective security arrangements and measures, and that it will not undertake any act of aggression against any other state."

In these circumstances, I must report that a violation of the 1952 Agreement may have occurred by reason of the Israeli operations in Lebanon.

We have discussed with senior officials of the Israeli Government these operations and the use of US origin equipment in them. The Israeli Government has said that it intends to comply with UN Security Council Resolution 425, which among other things

other Israeli and American officials has been very important. These 2 short days have been spent in a comprehensive exchange of views on the Middle East peace process. I have reiterated to the Prime Minister the profound support of all Americans for the security and the well-being of the State of Israel as it approaches its 30th year of independence. We share Israel's pride in this milestone.

Israel's achievements are uniquely its own, a mixture of high idealism, ingenuity, and self-reliance. Americans have always found an echo of our own frontier past in Israel's energy and its strong individualism.

Thirty years ago, Israel was born into uncertainty and a threatening future. Since that time, Israel has suffered more hardship and tragedy than most nations must endure in a century. Yet today, Israel stands as a powerful nation, fiercely independent and determined to forge its own political destiny.

The Israel of 1978 is strong and more secure militarily than at any time in its history. We in America take satisfaction in the knowledge that we have contributed in some small measure to the realization of that dream of strength. We have stood beside Israel from the earliest moments of its birth, and there we shall continue to stand.

This visit by Prime Minister Begin has had only one purpose, to explore the ways in which we can build our past cooperation into a true partnership for peace. In the course of these meet-

calls for the withdrawal of Israeli forces from Lebanon. We are actively engaged in discussing with officials of the Israeli Government the date for the completion of such withdrawal.

In these circumstances, including the ongoing efforts to restore momentum to the vital peace negotiations and Israel's assurance that it intends to withdraw from Lebanon, I am not recommending to the President any further action.

Sincerely,

CYRUS VANCE □

¹Read to news correspondents by Department spokesman Hodding Carter on Mar. 16, 1978.

²Read to news correspondents by acting Department spokesman John Trattner on Mar. 20, 1978.

ings, Prime Minister Begin and I have had an opportunity to review in considerable detail the present situation and our progress to date on a comprehensive settlement of the Middle East conflict. As always, these discussions have been detailed and frank, as is to be expected from two partners in the peace process.

I have reviewed for Prime Minister Begin my recent discussions with President Sadat. And I have shared with him my assessment of what will be required to regain momentum in the common search for peace. I emphasized to him the importance of reaffirming that all of the principles of Security Council Resolution 242 must apply to all fronts if peace negotiations are to succeed.

In the past few months, we have had a glimpse of what a peaceful future might hold. We have come to appreciate what it can mean in terms of human contact, direct contact, and liberation from the dangerous, self-defeating patterns of the past.

As Prime Minister Begin returns home, he will carry with him our hopes and our dreams for a future free of the bitterness and violence of the past generation.

We know that he faces both a challenge and an opportunity—the challenge of providing security for his people, and the opportunity to achieve that security through a true and enduring peace. It is our conviction that this opportunity must not be allowed to slip into the cycle of hatred and violence which has characterized the history of the Middle East for the past 30 years and which we have witnessed again over the last 2 weeks.

We pray with him that all peoples of the Middle East will come to realize that another generation must not be allowed to grow up learning only war and despair.

Prime Minister Begin does not return alone to his own country. He carries with him our deepest hopes and prayers. We stand with him as he faces the challenges and the opportunities of Israel's great dream. At this historic moment, when peace still seems far away, we rely on the vision and the humanity of a great people, born of great suffering, to triumph once again.

In this mission, Prime Minister Begin carries with him the good wishes and the constant support of all the people of the United States. Mr. Prime Minister, we wish you Godspeed.

Prime Minister Begin

Mr. President, I thank you wholeheartedly for the good words and

the expressions of friendship and understanding for our people and country. This is a new reaffirmation of the mutual, deep amity between our peoples and our countries.

As you said, Mr. President, our people had to suffer much and to fight for its liberation and for its independence. Great sacrifices were given so that we can have the land of our forefathers to build up for our children. But when I stand here in Washington in the presence of the President of the United States, our great friend and ally, it is my duty as the elected Prime Minister of Israel to remind public opinion of the fact that Israel is still the only country in the world against which there is a written document to the effect that it must disappear.

There is no country, either large or small, or even the smallest, against which there is such a document, demanding, saying publicly, that country should not exist, should be wiped off the map, and behind those people who carry out also the abominable acts to prove that they mean it, there is an alignment of many Arab states, armed to the teeth by the Soviet Union, and sometimes getting modern weapons also from the West.

This is the decisive problem we face, which is called, sometimes, security. I would like to reaffirm what security means to us. It means the preservation of the lives of our elderly people, of our women, and our children—the lives which are threatened daily—so that to make sure that the future generations, as ours, will live in a free and independent country. This is the great issue we face, or continue to face.

Now, Mr. President, what is our contribution to the peacemaking process? Yes, indeed, when I learned that President Sadat is ready to come to Jerusalem, I immediately sent out to him an invitation to come, and then his visit took place. After that, President Sadat, in the wake of my visit to you in December, Mr. President, invited me to come to Ismailia. Both meetings of Jerusalem and Ismailia were characterized by the spirit of friendship and openness. We knew, President Sadat and I, that we have differences of opinion. But we both agreed that we shall discuss them freely, we shall negotiate them, because such negotiations are the soul of any attempt to reach an agreement and to conclude a peace treaty.

That was the spirit. In that spirit, Israel contributed three documents, making it possible to deal with the question how to reach and conclude peace treaties. We made a peace proposal in two parts—one concerning the bilateral relations between Egypt and Israel, and

SOUTH ASIA: Recent Developments

by Adolph Dubs

I am delighted to appear before you once again to discuss recent political and economic developments in the South Asian region as a backdrop to your consideration of FY 1979 economic and security assistance requests for countries in this area.

While South Asia is not problem free, I believe it would be no exaggeration to say that regional tensions are perhaps at the lowest level since 1947. Favorable developments over the past year have contributed to this state of affairs. These developments include a continuation of the normalization process between India and Pakistan, reflected very recently in a visit by Indian Foreign Minister Vajpayee to Pakistan; a continued improvement in relations between Afghanistan and Pakistan; the negotiation of trade and

transit agreements between Nepal and India; the conclusion of an Indo-Bangladeshi interim agreement on the sharing of Ganges water flows during lean periods; and a positive effort by Iran to contribute to the economic well-being and stability of South Asia. Moreover, a constructive dialogue between India and China now seems underway.

The credit for these developments goes to the leadership of the individual countries. All have made a significant effort to improve relations with their neighbors. The trend that we are witnessing is one we have noted earlier, i.e., the increasing willingness and capability of regional countries to solve their own problems without outside interference.

The stabilizing effects of this trend are very much in line with the foreign policy objectives of the United States.

the other, the full administrative autonomy for our neighbors, the Palestinian Arabs residing in Judea, Samaria, and the Gaza Strip.

It was a real contribution to the thinking and making of peace, positive, constructive; and so it was appreciated here, Mr. President, and elsewhere, when those two documents were produced, a forthcoming proposal to make peace, a long step forward, a great deal of flexibility, a notable contribution, to quote the public statements.

We added another document, a declaration of principles which should make it possible for everybody to join in the peace effort. There are three Israeli documents contributing to go forward in the process of reaching peace in the Middle East. We only ask to negotiate. We said it is a basis and a fair basis for negotiations. There may be counterproposals. We shall also negotiate them. This is the process.

Mr. President, may I express our hope that this will happen, indeed, and the spirit of the Jerusalem, the Washington, and the Ismailia meeting will be renewed, and in that spirit of understanding and openness, the negotiations will be resumed.

As I will be leaving your great country, Mr. President, I will take with me the expressions of your friendship, of

your humanity, of your understanding of our problems. We are very grateful to you. Israel is a very small country. The United States is a mighty world power. But there are bonds which tie us together in understanding and friendship which derive from our traditions, from our faith in divine providence, from our love of liberty, from our devotion to democracy.

These are the values which make life worthwhile to live. And therefore, we say to each other from time to time, we are not only friends, we are partners, we are allies. And in this spirit, in the faith that we shall continue our partnership for peace, for liberty, for the welfare of our peoples and of mankind, I take leave of you, Mr. President, expressing my deep gratitude for your hospitality, for your warmth, and for your friendship. Thank you.

¹Issued on Mar. 21, 1978; list of U.S. and Israeli officials omitted (for full text, see Weekly Compilation of Presidential Documents of Mar. 27).

²Made on Mar. 22, 1978 (text from Weekly Compilation of Presidential Documents of Mar. 27). For an exchange of remarks between President Carter and Prime Minister Begin at the welcoming ceremony on the South Lawn of the White House, see Weekly Compilation of Presidential Documents of Mar. 27, p. 544.

We believe that reduced tensions will permit the countries to devote increasing attention and resources to the problems of economic development and to improvement in the human condition of the region's inhabitants.

India

The most dramatic development of the past year was the March 1977 national election in India. These elections demonstrated the strong commitment of the Indian people to the democratic system with its emphasis on individual freedoms and economic and social justice. It is a tribute to all involved that the transfer of power after the elections took place peacefully and without incident. The peaceful, democratic transition was widely acclaimed by the American people and by the executive and legislative branches of our government.

The new Janata government, headed by Prime Minister Desai, has been formulating its domestic and foreign policies. The budget for Indian FY 1979 indicates that the new government is placing greater emphasis on rural development, increased agricultural production, and on promoting small-scale industry. Efforts to implement these programs have only begun, and it remains to be seen how they will impact on the poverty and unemployment which afflict segments of Indian society.

The Indian Government's efforts in this area have been facilitated by the third consecutive year of good crops. Official figures are still not available for the 1977-78 crop year, but it is expected that food grain production will reach 119-121 million tons, perhaps the second best year in Indian history. Total economic growth has not been so dramatic and is not likely to exceed 5% in 1977-78.

On the external side, the highlight of the past year, from our point of view, was the visit by President and Mrs. Carter to India in January of this year. The visit went very well, and an extremely warm and positive relationship has developed between Prime Minister Desai and the President. We look forward to continuing our dialogue with Prime Minister Desai when he makes a return visit here on June 13-14.

Pakistan

Pakistan has been governed since July 1977 by a martial law administration headed by Gen. Zia-ul-Haq. Gen. Zia stated that it was necessary to remove Prime Minister Zulfikar A.

Bhutto because of the rigging of elections, the detention of political prisoners, widespread corruption, and the threat of civil war.

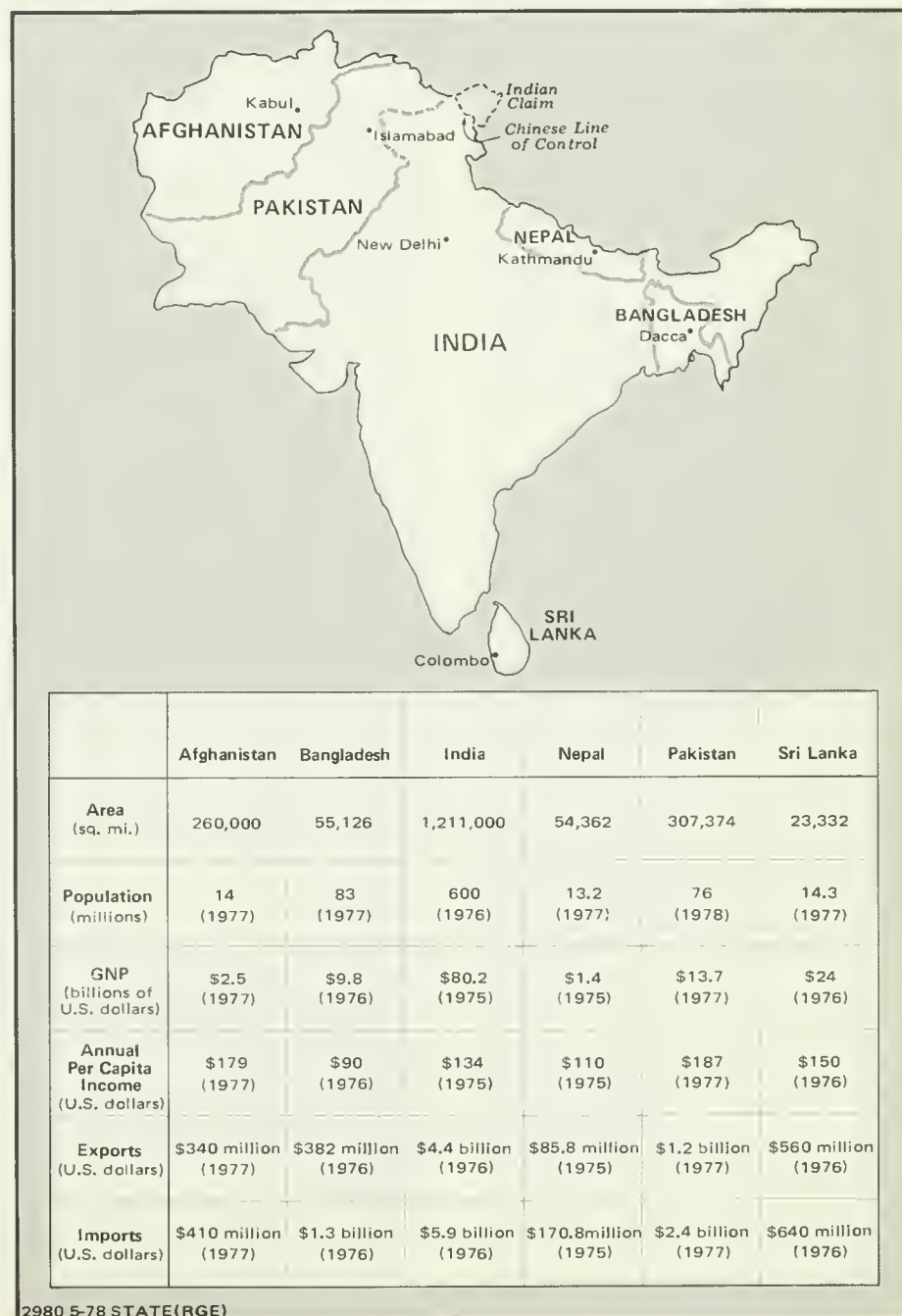
Gen. Zia promised to return the government to civilian control after free elections were held in October 1977. Those elections were later postponed, however, on grounds that various charges against Bhutto should be resolved by the courts before elections took place. Although some observers speculate that elections may be held in the fall of 1978, no dates have been mentioned by Pakistani officials. The military leaders continue to refer to

themselves as an interim regime which must leave most policy decisions up to a successor civilian government.

The economy began to drift before the end of the Bhutto period, and the martial law administration has taken few actions to reverse the trend.

Basic to the economic difficulties facing Pakistan is the disappointing performance of its agricultural sector which grew a modest 2.2% in 1977. Against a record wheat crop—which fell short of covering Pakistan's requirements—cotton production declined one-third from traditional levels.

On the public finance side, Pakistan



is facing a mounting debt service problem and a domestic budget gap that can only be covered if politically difficult economic policy measures are instituted.

The single bright spot in the economy is the growth of remittances received from Pakistanis working overseas. They are predicted to climb to \$1 billion this year—up by \$300 million from the most optimistic projection of 6 months ago.

Bangladesh

President Ziaur Rahman, known as Zia, is gradually dismantling the structure of his martial law administration and giving increased responsibility to civilian officials. A new political party—the National Democratic Party (Jagodal)—has been organized by several of President Zia's top advisors. President Zia is expected to join the new party.

General elections to a new parliament—the last was dissolved in 1975—are promised for December 1978, and a presidential election is expected earlier. If Zia becomes a presidential candidate, his main opposition will probably come from the Awami League of the late President Mujib, which seems to be one of the best organized and popular parties.

Externally, relations with all neighbors are quite good as was indicated by President Zia's recent successful visits to Burma, India, Pakistan, and Nepal. An interim agreement of the longstanding water dispute involving a sharing of the Ganges River flow was reached last fall with India.

Economically, Bangladesh is better off now than at any time since independence. This is largely due to 3 years of better-than-average harvests. (The *aman* harvest, which began last November, was the best on record.) Self-sufficiency in food grain is still some way off, and Bangladesh remains dependent on the donor community for some of its food grain needs. Foreign exchange earnings in 1977 were about \$470 million—a new high—owing to good world demand for Bangladesh's exports, mainly jute, tea, and animal products.

On the negative side, the economy is relatively static. There has not been much domestic or foreign investment. Despite some denationalization, most important industries remain in the public sector, which is often inefficient. Private U.S. investment totals only about \$5 million. The most important outstanding nationalization compensation case (Belbagco) seems very close to resolution.

Sri Lanka

For the sixth time since independence, Sri Lankans went to the polls in June, and the incumbent government was defeated. The commitment to democratic principles and ideals by Sri Lankans remains firm and impressive.

Sri Lanka continues to have major economic and unemployment problems. Significant new programs are being devised and introduced to alleviate and to overcome these problems. The United States and other donor countries are currently examining Sri Lanka's developmental proposals, and we hope to be able to be of greater assistance in the future.

Nepal

The past year has witnessed a continued improvement in our normally good relations with Nepal. For some time, the Nepalese Government has expressed greater interest in rural development, particularly in the areas outside of Kathmandu. This emphasis is very much in line with our own new directions in the Agency for International Development and has permitted us to propose helpful programs that we hope will have a favorable impact on the acute development problems this country faces.

On the political side, the Nepalese Government has continued its policy of liberalization. Almost all persons who have not been charged with specific criminal activities have been released from prison. The best known leader of Nepal's political opposition—B.P. Koirala—was acquitted on most of the charges against him and has been released for medical treatment in the United States. Press censorship has been reduced, and the Nepalese Government is seeking to develop institutions which will open the way to expanded participation in the economic and political processes of government.

Afghanistan

Internally, the political situation is stable. President Daoud remains very much in control and faces no significant opposition. The process of political institution-building is moving ahead at a measured pace. In the past year, the Constitution and Party Charter were promulgated and a Vice President was named.

Afghanistan's relations with its neighbors are good, and this contributes significantly to the region's political stability. President Daoud's recent trip to Pakistan was particularly significant, and Afghan-Pak relations are

better than they have been in years.

The economic situation in Afghanistan is mixed. Afghanistan remains one of the world's poorest countries with an estimated per capita income in the \$150–180 range and a literacy rate under 10%. Growth rates are low, estimated by the International Monetary Fund at 3–4% per annum. Drought conditions have prevailed over much of the country over the last 2 years, and the domestic private sector continues to stagnate.

However, foreign exchange reserves holdings have reached record levels of almost \$300 million, the equivalent of about 8 months of imports. Substantial amounts of hard currency are also being repatriated by Afghan migrant workers. The inflation rate is only 6–7%, and there are some labor shortages, particularly in the southern and western parts of the country.

In appearing before this subcommittee a year ago, I stated our government's goals in South Asia to be the following:

- Improving regional stability and enhancing the ability of the regional states to resolve their bilateral problems without outside interference;
- Strengthening the independence of South Asian nations and supporting their determination to avoid domination by any external power;
- Providing economic assistance and humanitarian aid, when this is required, and assisting the nations of the area in their efforts to attack poverty;
- Encouraging these nations to adopt constructive policies on major world economic and political issues;
- Limiting U.S. sales of sophisticated arms and preventing nuclear proliferation;
- Fostering, so far as we are able, the promotion of human rights and democratic process; and,
- Reducing the production of narcotics and their supply to the world's illicit market.

These goals remain applicable, and much has been accomplished in the past year as a result of initiatives taken and efforts made by leaders in all of the countries of the region.

Statement before the Subcommittee on Asia and Pacific Affairs of the House Committee on International Relations on Mar. 16, 1978. The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Mr. Dubs is Deputy Assistant Secretary for Near Eastern and South Asian Affairs.

UNITED NATIONS:

Interim Force in Lebanon

STATEMENT BY AMBASSADOR YOUNG¹

The Security Council meets today against a background of tragedy but with an opportunity to play a constructive role in restoring security and stability in the violence-torn southern part of Lebanon. The aim of this Council must now be to end as quickly as possible this new cycle of violence and to deal with some of the immediate underlying causes. The only real solution is in a comprehensive settlement of Middle East issues. At the moment, however, our efforts must be focused on removing the sources of friction and instability in southern Lebanon. The United States approaches this debate, and the action which we hope will stem from it, with three fundamental principles in mind.

- We expect Israel to withdraw from southern Lebanon, and we have made our views in this respect known to the Israeli Government.
- The territorial integrity of Lebanon must be fully respected.
- The United Nations has a vital role to play in assisting the Government of Lebanon to restore in southern Lebanon conditions that will facilitate the reestablishment of its authority and provide a return to security and a peaceful life for the people of the south.

Our consultations in the past 2 days led us to believe that most Council members share our perception of the importance of these principles. Our view is that a U.N. peacekeeping operation is needed that would have two primary functions:

- First, the United Nations would have responsibility to establish and provide security in the southern border region of Lebanon; and
- Second, it would assist the Government of Lebanon in promptly reestablishing its authority in that area and, once established, relinquish its responsibilities to Lebanon.

We believe all members of this Council wish to prevent further escalation of violence and thereby to facilitate a return to peace negotiations. We are confident that this Council will agree that a temporary U.N. presence in southern Lebanon, remaining only until the Government of Lebanon can

exercise full authority, will help to fulfill the first purpose of the U.N. Charter—the maintenance of international peace and security.

In order to give concrete expression to the principles that I have just outlined, the U.S. Government is introducing a resolution for consideration by this Council. That resolution, in its first operative paragraph, calls for strict respect for the territorial integrity, sovereignty, and political independence of Lebanon. May I say that the statements made in this chamber leave no doubt that the preservation of Lebanese territorial integrity is the Council's primary goal in this debate. That goal is made explicit in the third operative paragraph of the resolution sponsored by my government. That paragraph describes the purpose of a U.N. peacekeeping force as confirming the withdrawal of Israeli forces, restoring international peace and security, and assisting the Government of Lebanon in insuring the return of its effective authority in the area.

The second operative paragraph calls on the Government of Israel immediately to cease its military action against Lebanese territory and withdraw its forces from Lebanese territory. Immediate Israeli withdrawal is, in my government's view, one of the key conditions to restoring full political independence and territorial integrity to Lebanon.

The third operative paragraph decides to set up immediately a U.N. force for southern Lebanon. Such a force should, in my government's view, be of temporary duration. It should restore peace and security to the area and transfer effective authority to the Lebanese Government. When that is done, the objectives established by this resolution will have been fully achieved and, we fully expect, the cause of peace and justice in the Middle East substantially advanced.

We have consulted widely on this resolution and have tried to meet most of the concerns expressed. The representative of the Soviet Union has suggested the inclusion of a reference to the time frame for the U.N. interim force, referred to in operative paragraph three. It is our view and expectation that in keeping with past practice any time frame the Council may decide upon will be included in the Council's

action on the report of the Secretary General referred to in paragraph four.

TEXTS OF RESOLUTIONS

Security Council Resolution 425²

The Security Council,

Taking note of the letters of the Permanent Representative of Lebanon (S/12600 and S/12606) and the Permanent Representative of Israel (S/12607),

Having heard the statements of the Permanent Representatives of Lebanon and Israel,

Gravely concerned at the deterioration of the situation in the Middle East, and its consequences to the maintenance of international peace,

Convinced that the present situation impedes the achievement of a just peace in the Middle East,

1. Calls for strict respect for the territorial integrity, sovereignty and political independence of Lebanon within its internationally recognized boundaries;

2. Calls upon Israel immediately to cease its military action against Lebanese territorial integrity and withdraw forthwith its forces from all Lebanese territory;

3. Decides, in the light of the request of the Government of Lebanon, to establish immediately under its authority a United Nations interim force for southern Lebanon for the purpose of confirming the withdrawal of Israeli forces, restoring international peace and security and assisting the Government of Lebanon in ensuring the return of its effective authority in the area, the force to be composed of personnel drawn from States Members of the United Nations;

4. Requests the Secretary-General to report to the Council within twenty-four hours on the implementation of this resolution.

Security Council Resolution 426³

The Security Council,

1. Approves the report of the Secretary-General on the implementation of Security Council resolution 425 (1978) contained in document S/12611 dated 19 March 1978;

2. Decides that the Force shall be established in accordance with the above-mentioned report for an initial period of six months, and that it shall continue in operation thereafter, if required, provided the Security Council so decides. □

¹Statement in the U.N. Security Council on Mar. 18, 1978 (text from USUN press release 12 of Mar. 18); Andrew Young is U.S. Permanent Representative to the United Nations.

²U.N. doc. S/RES/425 (1978); adopted by the Council on Mar. 19 by a vote of 12 (U.S.) to 0, with 2 abstentions (the People's Republic of China did not participate in the vote).

³U.N. doc. S/RES/426 (1978); adopted by the Council on Mar. 19 by a vote of 12 (U.S.) to 0, with 2 abstentions (the People's Republic of China did not participate in the vote).

WESTERN HEMISPHERE:

Panama Canal Treaty Ratified

by President Carter

This is a day of which Americans can feel proud for now we have reminded the world and ourselves of the things that we stand for as a nation. The negotiations that led to these treaties began 14 years ago, and they continued under four Administrations, four Presidents.¹ I am proud that they have reached their conclusion while I was President. But I am far prouder that we as a people have shown that in a full and open debate about difficult foreign policy objectives that we will reach the decisions that are in the best interest of our nation.

The debate has been long and hard. But in the end, it has given our decision a firm base in the will of the American people. Over the last 8 months, millions of Americans have studied the treaties, have registered their views, and, in some cases, have changed their minds. No matter which side they took in this debate, most Americans have acted out of sincere concern about our nation's interest.

I would like to express my thanks to a few for the job they have done. Under the leadership of Senators Byrd and Baker and Sparkman and others, the Senate has carried out its responsibility of advice and consent with great care. All of us owe them our thanks. I feel a special gratitude and admiration for those Senators who have done what was right because it was right, despite tremendous pressure and, in some cases, political threats.

The loyal employees of the Panama Canal Zone and the Canal Zone Government also deserve our gratitude and our admiration for their performance during these months of great uncertainty, and General Torrijos and the people of Panama who have followed this debate closely and through every stage have been willing partners and cooperative and patient friends. There is no better indication of the prospect for friendly relations between us in the future than their conduct during the last few months.

We now have a partnership with Panama to maintain and to operate and to defend the canal. We have the clear right to take whatever action is necessary to defend the canal and to keep it open and neutral and accessible. We do not have the right to interfere in Panama's internal affairs. That is a right we neither possess nor desire.

These treaties can mark the beginning of a new era in our relations not only with Panama but with all the rest of the world. They symbolize our determination to deal with the developing nations of the world, the small nations of the world, on the basis of mutual respect and partnership. But the treaties also reaffirm a spirit that is very strong, constant, and old in the American character.

Sixty-four years ago when the first ship traveled through the canal, our people took legitimate pride in what our ingenuity, our perseverance, and our vision had brought about. We were a nation of builders, and the canal was one of our greatest glories.

Today we have shown that we remain true to that determination, that ingenuity, and, most of all, that vision. Today we have proven that what is best and noblest in our national spirit will prevail. Today we have shown that we are still builders with our face still turned confidently to the future.

That is why I believe all Americans should share the pride I feel in the accomplishments which we registered today.

When I was coming in to make this announcement, the Ambassador of Panama, Gabriel Lewis, informed me that General Torrijos has accepted the

terms of the treaty that passed the Senate this afternoon. I want to reaffirm my thanks and my commitment to true partnership with General Torrijos and the people of a great nation, Panama.

Remarks made on Apr. 18, 1978 (text from White House press release of Apr. 18).

¹ By a vote of 68 to 32, the Senate gave advice and consent on Apr. 18 to the Panama Canal Treaty. On Mar. 16 it gave its advice and consent to the neutrality treaty; for the text of President Carter's remarks made on that occasion, see BULLETIN of April 1978, p. 59.

STATEMENT BY SECRETARY VANCE

I am delighted at the Senate's approval of the new Panama Canal treaties. We intend to move forward as rapidly as possible to put the treaties into effect.

The treaties are in the national interests of both our nations and the hemisphere and the world community. We will, in the sense of the Senate, avoid any measures designed to interfere in the internal affairs of Panama or to infringe on its independence or its sovereign integrity.

Working together, our two governments can make the canal an outstanding example of international cooperation. This will provide a great opportunity to strengthen the ties of friendship and understanding that bind us to Panama.

Made on Apr. 18, 1978 (text from press release 176 of Apr. 18).

Senate Additions to the Panama Canal Treaties

During the course of the Senate debate on the two Panama Canal treaties, a number of amendments, conditions, reservations, and understandings were considered. Following are the texts of those which were adopted and attached to the treaties.¹

NEUTRALITY TREATY

Leadership Amendment 20

At the end of Article IV, insert the following:

A correct and authoritative statement of certain rights and duties of the parties under the foregoing is contained in the Statement of Understanding issued by the Government of the United States of America on Oct. 14, 1977, and by the Government of the Republic of Panama

on Oct. 18, 1977, which is hereby incorporated as an integral part of this treaty, as follows.

"Under the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal (the Neutrality Treaty), Panama and United States have the responsibility to assure that the Panama Canal will remain open and cure to ships of all nations. The correct interpretation of this principle is that each of two countries shall, in accordance with their respective constitutional processes, defend the Canal against any threat to the regime of neutrality and consequently shall have the right to act against any aggression or threat directed against the Canal or against the peaceful transit of vessels through the Canal.

"This does not mean, nor shall it be interpreted as the right of intervention of the United States in the internal affairs of Panama. A United States action will be directed at insur-

the Canal will remain open, secure and accessible, and it shall never be directed against territorial integrity or political independence of Panama." [Adopted 84 to 5 on March 1978.]

Partnership Amendment 21

At the end of the first paragraph of Article I, insert the following:

"In accordance with the statement of Understanding mentioned in Article IV above: "The Neutrality Treaty provides that the vessels of the United States and auxiliary vessels of the United States in Panama will be entitled to transit the Canal expeditiously. This is intended, and it shall so be interpreted, to assure the transit of such vessels through the Canal as quickly as possible, without any impediment, with expedited treatment, and in case of need or emergency, to go to the head of the line of vessels in order to transit the Canal rapidly." [Adopted 85 to 3 on March 13, 1978.]

Condition

Subject to the condition that the instruments of ratification of the treaty shall be exchanged upon the conclusion of the protocol of exchange, to be signed by authorized representatives of both governments, which shall constitute an integral part of the treaty documents and which shall include the following: that nothing in this treaty shall preclude Panama and the United States from making, in accordance with their respective constitutional processes, any agreement or arrangement between the two countries to facilitate performance at any time after Dec. 31, 1999, of their responsibilities to maintain the regime of neutrality established in the treaty, including agreements or arrangements for the stationing of any United States vessels or maintenance of defense sites after that date in the Republic of Panama that Panama and the United States may deem necessary or appropriate. [Adopted 82 to 16 on March 15, 1978.]

Doncini Condition

Before the period at the end of the resolution of ratification, insert the following:

"Subject to the condition, to be included in the instrument of ratification of the treaty to be exchanged with the Republic of Panama, that, notwithstanding the provisions of Article V or any other provision of the treaty, if the canal is closed, or its operations are interfered with, the United States of America and the Republic of Panama shall each independently have the right to take such steps as it deems necessary, in accordance with its constitutional processes, including the use of military force in Panama, to reopen the canal or restore the operations of the Canal as the case may be." [Adopted 75 to 23 on March 16, 1978.]

Reservations

Before the date of entry into force of the treaty, the two parties shall begin to negotiate

for an agreement under which the American Battle Monuments Commission would, upon the date of entry into force of such agreement and thereafter, administer, free of all taxes and other charges and without compensation to the Republic of Panama and in accordance with the practices, privileges, and immunities associated with the administration of cemeteries outside the United States by the American Battle Monuments Commission, including the display of the flag of the United States, such part of Corozal Cemetery in the former Canal Zone as encompasses the remains of citizens of the United States.

(2) The flag of the United States may be displayed pursuant to the provisions of paragraph 3 of Article VII of the Panama Canal Treaty, at such part of Corozal Cemetery in the former Canal Zone as encompasses the remains of citizens of the United States.

(3) The President

(a) Shall have announced, before the date of entry into force of the treaty, his intention to transfer, consistent with an agreement with the Republic of Panama, and before the date of termination of the Panama Canal treaty, to the American Battle Monuments Commission the administration of such part of Corozal Cemetery as encompasses the remains of citizens of the United States; and

(b) Shall have announced, immediately after the date of exchange of the instruments of ratification, plans, to be carried out at the expense of the United States Government for

(i) Removing, before the date of entry into force of the treaty, the remains of citizens of the United States from Mount Hope Cemetery to such part of Corozal Cemetery as encompasses such remains, except that the remains of any citizen whose next of kin objects in writing to the Secretary of the Army not later than three months after the date of exchange of the instruments of ratification of the treaty shall not be removed; and

(ii) Transporting to the United States for reinterment, if the next of kin so requests, not later than thirty months after the date of entry into force of the treaty, any such remains encompassed by Corozal Cemetery and, before the date of entry into force of the treaty, any remains removed from Mount Hope Cemetery pursuant to subclause (i); and

(c) Shall have fully advised, before the date of entry into force of the treaty, the next of kin objecting under clause (b)(i) of all available options and their implications. [Reservations 1-3 were adopted 96 to 1 on March 15, 1978.]

(4) To carry out the purposes of Article III of the treaty of assuring the security, efficiency, and proper maintenance of the Panama Canal, the United States of America and the Republic of Panama, during their respective periods of responsibility for canal operation and maintenance, shall, unless the amount of the operating revenues of the canal exceeds the amount needed to carry out the purposes of such article, use such revenues of the canal only for

purposes consistent with the purposes of Article III. [Adopted by voice vote on March 16, 1978.]

Understandings

(1) Paragraph 1(c) of Article III of the treaty shall be construed as requiring, before any adjustment in tolls for use of the canal, that the effects of any such toll adjustment on the trade patterns of the two parties shall be given full consideration, including consideration of the following factors in a manner consistent with the regime of neutrality:

(a) The costs of operating and maintaining the Panama Canal;

(b) The competitive position of the use of the canal in relation to other means of transportation;

(c) The interests of both parties in maintaining their domestic fleets;

(d) The impact of such an adjustment on the various geographical areas of each of the two parties; and

(e) The interest of both parties in maximizing their international commerce.

The United States and the Republic of Panama shall cooperate in exchanging information necessary for the consideration of such factors. [Adopted by voice vote on March 15, 1978.]

(2) The agreement "to maintain the regime of neutrality established in this treaty" in Article IV of the treaty means that either of the two parties to the treaty may, in accordance with its constitutional processes, take unilateral action to defend the Panama Canal against any threat, as determined by the party taking such action.

(3) The determination of "need or emergency" for the purpose of any vessel of war or auxiliary vessel of the United States or Panama going to the head of the line of vessels in order to transit the Panama Canal rapidly shall be made by the nation operating such vessel.

(4) Nothing in the treaty, in the annexes, or the protocol relating to the treaty, or in any other agreement relating to the treaty obligates the United States to provide any economic assistance, military grant assistance, security supporting assistance, foreign military sales credits, or international military education and training to the Republic of Panama.

(5) The President shall include all amendments, reservations, understandings, declarations, and other statements incorporated by the Senate in its resolution of ratification respecting this treaty in the instrument of ratification exchanged with the Government of the Republic of Panama. [Understandings 2-5 adopted by voice vote on March 16, 1978.]

PANAMA CANAL TREATY

Reservations

(1) Pursuant to its adherence to the principle of nonintervention, any action taken by the

United States of America in the exercise of its rights to assure that the Panama Canal shall remain open, neutral, secure, and accessible, pursuant to the provisions of this treaty and the neutrality treaty and the resolutions of advice and consent thereto, shall be only for the purpose of assuring that the canal shall remain open, neutral, secure, and accessible, and shall not have as its purpose or be interpreted as a right of intervention in the internal affairs of the Republic of Panama or interference with its political independence or sovereign integrity. [Adopted 73 to 27 on April 18, 1978.]

(2) Notwithstanding any other provisions of this treaty, no funds may be drawn from the United States Treasury for payments under Article XIII, paragraph 4, without statutory authorization. [Adopted 92 to 6 on April 18, 1978.]

(3) Any accumulated unpaid balance under paragraph 4(c) of Article XIII at the termination of the treaty shall be payable only to the extent of any operating surplus in the last year of the treaty's duration, and that nothing in that paragraph may be construed as obligating the United States of America to pay after the date of the termination of the treaty any such unpaid balance which shall have accrued before such date. [Adopted 90 to 2 on April 17, 1978.]

(4) Exchange of the instruments of ratification shall not be effective earlier than March 31, 1979, and the treaties shall not enter into force prior to October 1, 1979, unless legislation necessary to implement the provisions of the Panama Canal Treaty shall have been enacted by the Congress of the United States of America before March 31, 1979. [Adopted 84 to 3 on April 17, 1978.]

(5) The instruments of ratification to be exchanged by the United States and the Republic of Panama shall each include provisions whereby each party agrees to waive its rights and release the other party from its obligations under paragraph 2 of Article XII. [Adopted 65 to 27 on April 17, 1978.]

(6) After the date of entry into force of the treaty, the Panama Canal Commission shall, unless it is otherwise provided by legislation enacted by the Congress, be obligated to reimburse the Treasury of the United States of America, as nearly as possible, for the interest cost of the funds or other assets directly invested in the Commission by the Government of the United States of America and for the interest cost of the funds or other assets directly invested in the predecessor Panama Canal Company by the government and not reimbursed before the date of entry into force of the treaty. Such reimbursement of such interests costs shall be made at a rate determined by the Secretary of the Treasury of the United States of America and at annual intervals to the extent earned, and if not earned, shall be made from subsequent earnings. For purposes of this reservation, the phrase "funds or other assets directly invested" shall have the same meaning as the phrase "net direct investment" has under section 62 of Title 2 of

Central America

by Terence A. Todman

Central America is a microcosm, in many respects, of the entire inter-American community. Without looking beyond the six nations of the isthmus, one can find in sharp focus the dilemmas that challenge many Latin societies as they pursue the important but sometimes competing goals of independence, regional cooperation, security, human rights, economic progress, social reform, and development of political institutions.

The resolution of these dilemmas is clearly the responsibility of the people

and governments of the Central American nations themselves. The United States has neither the right, the ability, nor the desire to impose solutions from outside. We do have an opportunity and a responsibility to make our own values clear and to respond to initiatives that advance values we all share.

As we look at Central America today, we see many reasons for all of who care about its future to feel encouraged. During my visit in January to the area's nations, I was impressed by the friendship and cooperation toward the United States which I encountered everywhere, and I was struck

the Canal Zone Code. [Adopted 90 to 10 on April 18, 1978.]

Understandings

(1) Nothing in paragraphs 3, 4, and 5 of Article IV may be construed to limit either the provisions of paragraph 1 of Article IV providing that each party shall act, in accordance with its constitutional processes, to meet danger threatening the security of the Panama Canal, or the provisions of paragraph 2 of Article IV providing that the United States of America shall have primary responsibility to protect and defend the canal for the duration of the treaty. [Adopted by voice vote on April 17, 1978.]

(2) Before the first date of the three-year period beginning on the date of entry into force of this treaty and before each three-year period following thereafter, the two parties shall agree upon the specific levels and quality of services, as are referred to in Article III, paragraph 5 of the treaty, to be provided during the following three-year period and, except for the first three-year period, on the reimbursement to be made for the costs of such services, such services to be limited to such as are essential to the effective functioning of such canal operating areas and such housing areas referred to in Article III, paragraph 5 of the treaty. If payments made under Article III, paragraph 5 of the treaty for the preceding three-year period, including the initial three-year period, exceed or are less than the actual costs to the Republic of Panama for supplying, during such period, the specific levels and quality of services agreed upon, then the Commission shall deduct from or add to the payment required to be made to the Republic of Panama for each of the following three years one-third of such excess or deficit, as the case may be. There shall be an independent and binding audit, conducted by an auditor mutually selected by both parties, of any

costs of services disputed by the two parties pursuant to the reexamination of such costs provided for in this understanding. [Adopted to 3 on April 17, 1978.]

(3) Nothing in paragraph 4(c) of Article I shall be construed to limit the authority of the United States of America through the United States Government agency called the Panama Canal Commission to make such financial decisions and incur such expenses as are reasonable and necessary for the management, operation and maintenance of the Panama Canal. In addition, toll rates established pursuant to paragraph 2(d) of Article III need not be set at levels designed to produce revenues to cover the payment to Panama described in paragraph 4(c) of Article XIII.

(4) Any agreement concluded pursuant to Article IX, paragraph 1) with respect to transfer of prisoners shall be concluded in accordance with the constitutional processes of both parties.

(5) Nothing in the treaty, in the annex, agreed minute relating to the treaty, or in any other agreement relating to the treaty obligates the United States to provide any economic assistance, military grant assistance, security supporting assistance, foreign military sales credits, or international military education or training to the Republic of Panama.

(6) The President shall include all reservations and understandings incorporated by the Senate in this resolution of ratification in the instrument of ratification exchanged with the Government of the Republic of Panama. [Understandings 3-6 adopted by voice vote on April 17, 1978.]

¹For texts of the Panama Canal Treaty and the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal, see BULLETIN of Oct. 17, 1977, p. 483.

sense of progress I found in my discussions with both public and private sector leaders.

Let me mention briefly six major areas where currents in Central America merit our attention and our support.

Economic Cooperation

First, Central America has pioneered the concept of regional economic cooperation in this hemisphere. The Central American Common Market, launched in the early 1960's, quickly demonstrated the benefits to developing nations of a cooperative approach to trade. Intraregional as well as external trade for the member nations increased substantially. While it fell short of creating a true common market, the agreement produced a lowering of tariff barriers and a wide range of cooperative efforts among the parties.

The United States responded by restructuring some of our own economic assistance programs along regional lines. In addition, the Common Market countries themselves saw their new economic relationship as a springboard for new proposals and institutions for closer integration, some of which are under consideration by the Central American governments.

Unfortunately, the experience of the Central American Common Market has also provided a lesson in the fragility of regional economic institutions and their dependence on harmony among member countries. We are hopeful that recent progress toward settlement of the Honduras-El Salvador border dispute will enable the nations of the region to give the Common Market a new lease on life and to resume progress toward the integrated approach to economic development whose benefits all recognize.

Dispute Settlement

This leads me to the second area where encouraging recent developments in Central America have taken place: the peaceful settling of disputes. The leaders of El Salvador and Honduras are to be congratulated for putting 18 years of strained relations behind them and moving quickly to settle the border dispute that erupted in war between the two countries in 1969. In a rapid sequence of developments, Honduras and El Salvador exchanged ratification instruments on a mediation agreement last November, agreed on the selection of the mediator last December, and underscored their commitment to peace in a border meeting of their heads of state in January. Dur-

ing my visit shortly thereafter, I observed the strong sentiment among citizens and leaders of both nations in favor of restoring good relations and getting on with the task of Central American cooperation.

Similar good will and mutual restraint have marked Central American handling of other potential trouble spots—border incidents involving Nicaragua and Costa Rica and the more serious territorial dispute involving Guatemala and Belize.

Perhaps the most dramatic example of pioneering dispute settlement in the Central American region is our recent agreement with Panama on the future of the Panama Canal. After 70 years of tension and 13 years of negotiation to resolve it, the United States and Panamanian Governments have agreed on a new relationship making them true partners in the canal's operation and defense and paving the way for the assumption of all canal operating responsibilities by Panama at the end of this century.

The significance of this achievement extends far beyond the bilateral relations between the United States and Panama. U.S. ratification of the Panama Canal treaties,¹ which I am confident will occur in the very near future, will signal throughout this hemisphere—indeed, throughout the world—the willingness of the United States to seek modern, mature relationships based on mutual respect, mutual interest, and negotiation.

Inter-American Institutions

Development of Inter-American institutions which facilitate cooperation is another area where Central American initiatives have been notable. The Central American Court of Justice in the early decades of this century was a pioneering effort to strengthen international law. San Jose, home of many distinguished international lawyers, has been the site of major developments from the 1975 Protocol of Amendment to the Rio Treaty [Inter-American Treaty of Reciprocal Assistance] and the decision to place the Organization of American States (OAS) sanctions against Cuba on a voluntary basis, to the negotiation of the American Convention on Human Rights.² Costa Rican leadership has also been a strong and consistent factor in the growth of the Inter-American Commission on Human Rights. Recent invitations to the Commission from Panama and El Salvador, and their effective cooperation during the visits, have provided an additional Central

American boost to its strength and effectiveness.

Central American interest in the affairs of the larger inter-American community has been further reflected in increasing attention to the links between their own nations, the rim of nations of North and South America, and the island nations of the West Indies in a "greater Caribbean basin." This theme was developed with force and sensitivity by Costa Rica's President Oduber at a Caribbean conference similar to this Central American Conference last month in Miami and has become an important part of our own approach to Caribbean cooperation.

Human Rights

A fourth area to watch for constructive changes in Central America is that of human rights. I had the good fortune of spending two of the best years of my life in one of the hemisphere's most admired models of a free and open society. And I can only envy [U.S.] Ambassador [to Costa Rica Marvin] Weissman the experience of having been on the scene to witness the uninhibited, vigorously contested presidential campaign that culminated in last week's election, demonstrating once again why Costa Rican politics is a source of such fascination both for its own citizens and for its outside admirers.

Less widely known is the fact that extensive freedom of expression is increasingly becoming the norm rather than the exception, not only in Costa Rica but in its neighbors as well. Panama's plebiscite on the canal treaties, which led to their overwhelming approval by the people of Panama, was the more impressive because it was preceded by a free and open debate in the Panamanian press. In Honduras, in Guatemala, in Nicaragua, in El Salvador—in short, throughout Central America—the press is not only generally unfettered but often unusually vocal. One of the more noteworthy aspects of the recent tensions in Nicaragua has been the ability of the government, the press, and most sectors of the opposition to avoid extremes or the resort to violence in dealing with even major differences.

A more serious challenge for several Central American countries is insuring that basic rights of the person are not sacrificed in an effort to combat serious threats to the fabric of society—and indeed to the rights of the individuals—from terrorism and insurgency. We believe violations of human rights are a major problem.

We also believe the performance of each challenged country in Central America has improved, reflecting the desire of national leaders to respect international standards and to discourage abuses by lower echelon units often acting contrary to official policy. The notable restraint shown by Guatemala under President Laugerud in the face of recent acts of terrorism has improved the human rights climate in that country in many respects. Another example of important human rights improvements in the face of continuing problems can be seen in El Salvador, which under President Romero has abandoned the state of seige, given freer rein to the press, invited political exiles to return, and requested on-site inspection by the Inter-American Human Rights Commission.

Political Participation

Increasing public participation in the political process is a fifth area where developments in Central America are particularly encouraging. Every country in Central America has either just held elections, as in El Salvador and Costa Rica, or is preparing to hold them. Guatemala, which faces a national election this March, has a genuine contest among candidates and parties of differing viewpoints. Elections are scheduled in Panama for August of this year. Honduras is now actively engaged in the process of effecting a transition to an elected civilian government. In Nicaragua—under normal circumstances—according to the present timetable, elections are to be held in 1981. We hope an early dialogue among all responsible elements will lead to the widest possible participation in the entire electoral process.

An underlying challenge for many Central American societies is how to initiate communication to heal the deep rifts separating social groups and develop institutions to facilitate full participation in the political choices of the nation. Elections in which major portions of the electorate are excluded or exclude themselves or elections in which the results are subverted, reveal all too clearly the deep-seated obstacles to the political development all Central American societies seek.

Meeting Human Needs

Finally, Central American nations are making major efforts to meet the human needs of their people. They have made impressive economic progress through regional cooperation, national development policies, responsi-

ble fiscal management, and a friendly attitude toward investors. Their emphasis on the development of their tremendous energy potential will provide reliable supplies of electricity and proper water control to power their overall future economic development. Nicaragua and Guatemala have made commendable recovery efforts from the earthquakes that ravaged them earlier in this decade, with Guatemala winning special praise from many quarters for its handling of the reconstruction after the most recent disaster.

The most serious economic challenge facing Central American nations, like our own, is how to distribute the fruits of economic progress more equitably among the people of the society, particularly those who have been traditionally cut off from the sources of wealth, power, and education available to others.

Here too major efforts are underway in Central America. Honduras, the third poorest country in the hemisphere, has a reformist government that is making notable progress despite formidable obstacles. The present administrations in Panama and Costa Rica have placed strong emphasis on programs for the disadvantaged and for a wider sharing of power. Throughout Central America, the trend toward more equitable and participatory societies is evident—despite the resistance of the few in whose hands wealth and power have been concentrated for so long.

Given our own shortcomings, the United States is in no position to preach. But we are in a position to understand, to care, and occasionally, to help.

Although so far I have spoken mainly of government policies, we also recognize the responsibilities, leadership, and resources of our private sector. The American business community has long been deeply involved in the societies of Central America. Today it has new opportunities to play a major and mutually beneficial development role. In the course of this conference we have heard repeatedly from business and government experts the many ways in which increased trade and investment in Central America can produce income and jobs not only for the host countries but for our American workers and investors. Economic interdependence is not a theory; it's a fact.

Beyond economics, however, the creative partnership between American enterprise and Central American nations can strengthen the positive forces within our societies and enrich the human side of all our lives. Responsible business policies, which take into

Cuba

Foreign Relations Outline

From the early days of our Republic the United States has had a close and sometimes difficult association with Cuba. U.S. relations with Cuba deteriorated sharply following the rise to power in 1959 of Fidel Castro and subsequent turn to the Soviet Union. Diplomatic ties were severed in January 1961. The Carter Administration has begun an effort to improve relations with Cuba, but normalization will take a long time and will depend on many factors, including Cuba's international behavior.

U.S. Policy

The United States is convinced that its best interests are served by maintaining communications with all countries, whether it approves of their governments or not. Steps toward normal-

account the long-term development priorities set by Central American societies themselves, can offer substantial returns not only in profits but also in fostering the kind of environment in which growth is sustained, rights are respected, tourism and other forms of human interchange thrive, and future dealings are welcomed.

All of us here today have a role in shaping the relationships between our own nation and our neighbors, and contributing to a peaceful and humane future for the Central American and the world community. It is a task calling upon all the ingenuity and resourcefulness for which American enterprise rightly prides itself. And it is a task in which I am confident you will find worthy your highest personal endeavor.

Based on an address before the third annual Conference on U.S.-Central American Trade and Investment in New Orleans on Feb. 1, 1978. Ambassador Todman is Assistant Secretary for Inter-American Affairs.

¹The Senate gave its advice and consent to the Treaty Concerning the Permanent Neutral and Operation of the Panama Canal on Mar. 1, 1978, and to the Panama Canal Treaty on Apr. 18. For texts of Panama Canal treaties, see BULLETIN of Oct. 17, 1977, p. 481; for texts of Senate additions to the treaties, see p. 52.

²For text of American Convention on Human Rights, see BULLETIN of July 4, 1977, p. 28.

tions with Cuba, however, must be
measured and reciprocal. Only through
dialogue can we begin to resolve the
difficult problems that now stand be-
tween the Cuban Government and our
country. The United States desires:

- Improvement in human rights in
Cuba;
- Release of political prisoners,
thousands of whom have been jailed for
years;
- More responsible international be-
havior by Cuba, particularly in Africa;
- Compensation to U.S. citizens and
businesses whose property was taken
over by the Cuban Government.

Steps Toward Normalization

In the past year, the Carter Adminis-
tration has taken several steps to im-
prove relations with Cuba. It has:

- Granted visas to selected Cuban
citizens to visit the United States;
 - Lifted the ban on U.S. travel to
Cuba;
 - Negotiated the establishment of
automatic "interests sections"; and
 - Further modified but not lifted the
U.S. trade embargo.
- In mid-January talks were held in
Havana between our two Coast Guards
on such issues as improving communi-
cations, cooperating in search and res-
cue in international waters, and curbing
drug traffic and terrorism.

Fisheries and Maritime Boundary

Only 90 miles of water separate the
United States and Cuba, and both coun-
tries have established 200-mile
exclusive fishery zones. Negotiations
with Cuba to define the maritime
boundary began in March 1977 and re-
sulted in the signing, a month later, of
a provisional maritime boundary and
fishing rights agreements.

Interests Sections

The United States opened an inter-
ests section in the Swiss Embassy in
Havana on September 1, 1977, while
the Cubans established one in Washing-
ton in the Czechoslovak Embassy. The
main purposes of our interests section
are to facilitate communications be-
tween the two governments and to pro-
vide a broader range of consular serv-
ices.

Repatriation Program

The United States has urged the re-
lease of political prisoners in Cuba,
including some U.S. citizens—imprisoned

TREATIES: Current Actions

MULTILATERAL

Astronauts

Agreement on the rescue of astronauts, the re-
turn of astronauts, and the return of objects
launched into outer space. Done at Washing-
ton, London, and Moscow April 22, 1968.
Entered into force December 3, 1968. TIAS
6599.

Ratification deposited: Italy, March 31,
1978.

Aviation

Convention for the suppression of unlawful sei-
zure of aircraft. Done at The Hague De-
cember 16, 1970. Entered into force October
14, 1971. TIAS 7192.

Ratification deposited: Singapore, April 12,
1978.

Convention for the suppression of unlawful acts
against the safety of civil aviation. Done at
Montreal September 23, 1971. Entered into
force January 26, 1973. TIAS 7570.

Ratification deposited: Singapore, April 12,
1978.

Bills of Lading

International convention for the unification of
certain rules relating to bills of lading and
protocol of signature. Done at Brussels Au-
gust 25, 1924. Entered into force June 2,
1931; for the U.S. December 29, 1937. 51
Stat. 233.

Adherence deposited: Senegal, February 14,
1978.

Containers

International convention for safe containers
(CSC), with annexes. Done at Geneva De-
cember 2, 1972. Entered into force Sep-
tember 6, 1977; for the U.S. January 3,
1979.

Accessions deposited: India, January 27,
1978; Liberia, February 14, 1978.

Ratification deposited: United Kingdom,
March 8, 1978.

Energy

Agreement on an international energy program.
Done at Paris November 18, 1974. Entered
into force January 19, 1976. TIAS 8278.

*Notification of consent to be bound depos-
ited:* Italy, February 3, 1978.

for a variety of offenses—have been
freed. In 1977 a number of American
citizens and their Cuban families were
permitted to leave the country. Another
group of 125 persons with dual U.S.-
Cuban citizenship was allowed to leave
for the United States in February 1978
under this repatriation program.

Trade Embargo

In 1962 the United States banned all
U.S. trade with Cuba except for
foodstuffs, medicines, and medical
equipment needed for humanitarian
reasons. We also prohibited foreign
ships that traded with Cuba from land-
ing at U.S. ports. These restrictions
were modified in 1975 to permit busi-
ness transactions between Cuba and
U.S. subsidiaries in third countries if
those countries agreed. The U.S. ban
on foreign shipping calling at Cuban
ports was rescinded in June 1977, but
U.S. ships still cannot trade at Cuban
ports.

Before the trade embargo, two-way
trade totaled over \$1 billion annually,
and it has been estimated that we could
sell \$300 million worth of agricultural
commodities, farm machinery, indus-

trial equipment, and computer hardware
to Cuba each year. The embargo will
not be ended, however, until the claims
of U.S. citizens and corporations for
losses suffered through expropriation
are resolved. About 5,900 of these
claims, amounting to \$1.8 billion, have
been certified by the U.S. Foreign
Claims Settlement Commission. We re-
gard their settlement as essential to
normalizing relations.

African Involvement

Cuba's involvement in Angola,
Ethiopia, and other parts of Africa has
continued to grow. The presence in
Ethiopia of 10,000 Cuban troops, and in
Angola of some 19,000, is an obstacle
to the peaceful settlement of the dis-
putes there. There cannot be any signif-
icant improvement in U.S.-Cuban re-
lations until the level of these military ad-
ventures is sharply reduced. □

*Based on a Department of State publication in
the GIST series, released in March 1978. This
outline is designed to be a quick reference aid
on U.S. foreign relations. It is not intended as
a comprehensive U.S. foreign policy statement.*

Environmental Modification

Convention on the prohibition of military or any other hostile use of environmental modification techniques, with annex. Done at Geneva May 18, 1977.¹
Signature: Ghana, March 21, 1978.

Finance

Agreement establishing the African Development Fund, with schedules. Done at Abidjan November 29, 1972. Entered into force June 30, 1973; for the U.S. November 18, 1976. TIAS 8605.
Accession deposited: Kuwait, December 15, 1977.

Agreement establishing the International Fund for Agricultural Development. Done at Rome June 13, 1976. Entered into force November 30, 1977.
Accession deposited: Fiji, March 28, 1978.

Human Rights

International covenant on civil and political rights. Done at New York December 16, 1966. Entered into force March 23, 1976.²
Accession deposited: Dominican Republic, January 4, 1978.

International covenant on economic, social and cultural rights. Done at New York December 16, 1966. Entered into force January 3, 1976.²

Optional protocol to the international covenant on civil and political rights. Done at New York December 16, 1966. Entered into force March 23, 1976.²
Accession deposited: Dominican Republic, January 4, 1978.

Maritime Matters

Convention on facilitation of international maritime traffic, with annex. Done at London April 9, 1965. Entered into force March 5, 1967; for the U.S. May 16, 1967. TIAS 6251.
Accession deposited: Liberia, February 14, 1978.

Oil Pollution

International convention on civil liability for oil pollution damage. Done at Brussels November 29, 1969. Entered into force June 19, 1975.²
Accession deposited: German Democratic Republic (with statements), March 13, 1978.

International convention on the establishment of an international fund for compensation for oil pollution damage. Done at Brussels December 18, 1971.¹
Ratification deposited: Yugoslavia, March 16, 1978.

Refugees

Protocol relating to the status of refugees. Done at New York January 31, 1967. Entered into force October 4, 1967; for the U.S. November 1, 1968. TIAS 6577.
Accession deposited: Costa Rica March 28, 1978.

Safety at Sea

Convention on the international regulations for

preventing collisions at sea, 1972. Done at London October 20, 1972. Entered into force July 15, 1977. TIAS 8587.

Accessions deposited: Dominican Republic, March 15, 1978; Tunisia, February 1, 1978.

International convention for the safety of life at sea, 1974, with annex. Done at London November 1, 1974.¹

Accession deposited: Panama, March 9, 1978.

Ratification deposited: Denmark, March 8, 1978.

Space

Convention on international liability for damage caused by space objects. Done at Washington, London, and Moscow March 29, 1972. Entered into force September 1, 1972; for the U.S. October 9, 1973. TIAS 7762.

Accessions deposited: Malta, January 13, 1978; Seychelles, January 5, 1978.

Convention on registration of objects launched into outer space. Done at New York January 14, 1975. Entered into force September 15, 1976. TIAS 8480.

Ratification deposited: United Kingdom, March 30, 1978.

Terrorism

Convention to prevent and punish the acts of terrorism taking the form of crimes against persons and related extortion that are of international significance. Done at Washington February 2, 1971. Entered into force October 16, 1973; for the U.S. October 20, 1976. TIAS 8413.

Ratification deposited: Uruguay, March 17, 1978.

Tonnage Measurement

International convention on tonnage measurement of ships, 1969, with annexes. Done at London June 23, 1969.¹

Accession deposited: Panama, March 9, 1978.

Whaling

Amendments to the schedule to the international convention for the regulation of whaling, 1946 (TIAS 1849). Adopted at Tokyo December 7, 1977. Entered into force March 21, 1978.

Wills

Convention providing a uniform law on the form of an international will, with annex. Done at Washington October 26, 1973. Entered into force February 9, 1978.²
Extended to: Ontario effective March 31, 1978.

World Health Organization

Constitution of the World Health Organization. Done at New York July 22, 1946. Entered into force April 7, 1948; for the U.S. June 21, 1948. TIAS 1808.

Acceptance deposited: Djibouti, March 10, 1978.

BILATERAL

Afghanistan

Project agreement for national development training. Signed at Kabul May 22, 1977. Entered into force May 22, 1977.

Austria

Air transport agreement. Signed at Vienna March 23, 1966. Entered into force July 23, 1966. TIAS 6066.

Notice of termination: Austria, March 1978, effective March 9, 1979.

Agreement regarding mutual assistance between the U.S. and Austrian Customs Services. Signed at Vienna September 15, 1977. Entered into force July 3, 1978.

Bangladesh

Project agreement for a rural electrification project. Signed at Dacca December 15, 1977. Entered into force December 15, 1977.

Agreement amending the agreement for sale of agricultural commodities of January 1978. Effected by exchange of notes at Dacca March 3, 1978. Entered into force March 3, 1978.

Agreement relating to the transfer of food aid to Bangladesh. Signed at Dacca March 16, 1978. Entered into force March 16, 1978.

Bolivia

Project loan agreement to finance the cost of goods and services required for the Agriculture Sector II project. Signed at La Paz November 24, 1977. Entered into force November 24, 1977.

Canada

Agreement amending and supplementing the agreement of March 9, 1959 (TIAS 4251, 5117, 5608, 6236, 7408), governing tolls on the St. Lawrence Seaway. Effected by exchange of notes at Washington March 1978. Entered into force March 20, 1978.

Chile

Agreement relating to a cooperative meteorological observation program between Chile. Effected by exchange of notes at Santiago February 23, June 2, and September 1, 1977. Entered into force February 15, 1977, effective January 1, 1977.

China, Republic of

Agreement amending and extending the international agreement of December 16, 1977, relating to trade in cotton, wool, and manmade textiles and textile products. Effected by exchange of notes at Washington March 1978. Entered into force March 30, 1978.

Egypt

Agreement modifying and extending the agreement of October 28, 1975 (TIAS 8100), concerning exhibition of the "treasures of Tutankhamun" and other items of ancient Pharaonic art to include the Fine Arts Museums of San Francisco. Effected by exchange of notes at Washington February 1978.

y 1978

nd March 29, 1978. Entered into force March 29, 1978.

Gambia

reement relating to the transfer of food grain The Gambia. Signed at Banjul January 12 and February 20, 1978. Entered into force February 20, 1978.

Hungary

reement relating to reciprocal facilitation of transit or temporary duty visas for diplomatic and official passport holders. Effected by exchange of notes at Budapest February 10, 1978. Entered into force April 11, 1978.

reement on trade relations. Signed at Budapest March 17, 1978. Enters into force on the date of exchange of written notices of acceptance by the two governments.

Iran

Agreed minutes of the fourth session of the United States-Iran Joint Commission for Economic Cooperation. Signed at Washington February 28, 1978. Entered into force February 28, 1978.

Jamaica

an agreement to finance the foreign exchange costs of certain commodities and commodity-related services. Signed at Kingston December 15, 1977. Entered into force December 15, 1977.

Japan

ity on extradition, with exchange of notes. Signed at Tokyo March 3, 1978. Enters into force on the 30th day after the date of exchange of instruments of ratification.

Korea, Republic of

reement extending the memorandum of understanding of December 19, 1975, and January 15, 1976 (TIAS 8609), relating to the development of the Korea Standards Research Institute. Effected by exchange of letters at Seoul and Washington October 24 and December 12, 1977, and January 6, 1978. Entered into force January 6, 1978.

Mexico

reement relating to the limitation of meat imports from Mexico during calendar year 1978. Effected by exchange of notes at Washington December 21, 1977, and February 22, 1978. Entered into force February 1, 1978; effective January 1, 1978.

reement extending the agreement of June 23, 1976 (TIAS 8533), concerning procedures for mutual assistance in the administration of justice in connection with the General Tire and Rubber Company and the Firestone Tire and Rubber Company matters to include the McDonnell Douglas Corporation. Effected by exchange of letters at Washington February 23 and March 6, 1978. Entered into force March 6, 1978.

Norocco

reement for sales of agricultural commodities, relating to the agreement of May 7, 1976 (TIAS 8309). Signed at Rabat Feb-

PRESS RELEASES: Department of State

March 16-April 24

Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

No.	Date	Subject
*124	3/16	U.S., Soviet Union agree to increase air service, Mar. 3.
*125	3/17	Convention for the Conservation of Antarctic Seals enters into force, Mar. 11.
*126	3/17	U.S., U.K. announce agreements on North Atlantic air fares and charter services.

ruary 3, 1978. Entered into force February 3, 1978.

Netherlands

Protocol amending the air transport agreement of April 3, 1957, as amended (TIAS 4782, 6797), and relating to charter services and other matters. Signed at Washington March 31, 1978. Entered into force March 31, 1978.

Niger

Project grant agreement relating to range management and livestock production, with annexes. Signed at Niamey September 26, 1977. Entered into force September 26, 1977.

Panama

Project loan agreement regarding integrated rural development. Signed at Panama November 25, 1977. Entered into force November 25, 1977.

Treaty concerning the permanent neutrality and operation of the Panama Canal, with annexes and related protocol. Signed at Washington September 7, 1977.¹

Senate Advice and Consent to Ratification: March 16, 1978.³

Paraguay

Agreement amending the air transport agreement of February 28, 1947 (TIAS 1753), and relating to charter air services. Effected by exchange of notes at Asuncion March 8 and 9, 1978. Entered into force March 9, 1978.

Portugal

Loan agreement for balance of payments support. Signed at Lisbon March 1, 1978. Entered into force March 1, 1978.

Senegal

Agreement relating to the transfer of food grain to Senegal. Signed at Dakar February 21, 1978. Entered into force February 21, 1978.

Sri Lanka

Loan agreement for agricultural base mapping.

*127	3/20	Program for the official visit to Washington of Israeli Prime Minister Menahem Begin and Mrs. Begin, Mar. 20-23.
*128	3/20	St. Lawrence Seaway toll agreement
*129	3/21	Vance: statement on Senate passage of Panama Canal neutrality treaty, Mar. 16.
*130	3/21	Advisory Committee on Private International Law, study group on hotelkeeper's liability, Mar. 29.

Signed at Colombo February 28, 1978. Entered into force February 28, 1978.

Loan agreement regarding malaria control. Signed at Colombo February 28, 1978. Entered into force February 28, 1978.

Sudan

Agreement for sales of agricultural commodities. Signed at Khartoum December 24, 1977.

Entered into force: January 24, 1978

Tunisia

Agreement for sales of agricultural commodities, relating to the agreement of June 7, 1976 (TIAS 8506). Signed at Tunis February 3, 1978. Entered into force February 3, 1978.

U.S.S.R.

Interim agreement amending the civil air transport agreement of November 4, 1966 (TIAS 6135), as amended by the protocol of June 23, 1973 (TIAS 7658), and confirming certain understandings relating to air transportation. Effected by exchange of notes at Washington March 3, 1978. Entered into force March 3, 1978.

United Kingdom

Agreement relating to North Atlantic air fares. Effected by exchange of letters at Washington March 17, 1978. Entered into force March 17, 1978

Venezuela

Maritime boundary treaty. Signed at Caracas March 28, 1978. Enters into force on the date of exchange of instruments of ratification.

Memorandum of understanding concerning cooperation in the narcotics field. Signed at Caracas March 28, 1978. Entered into force March 28, 1978. □

¹Not in force.

²Not in force for the U.S.

³With amendments, conditions, reservations, and understandings.

*131	3/21	Robert J. McCloskey sworn in as Ambassador to Greece, Mar. 9 (biographic data).	154	4/10	group on nuclear ships, May 31.			on subdivision and stab May 11.
*132	3/21	Shipping Coordinating Committee (SCC), National Committee for the Prevention of Marine Pollution, Apr. 25.	154A	4/10	Vance: address on arms control before the American Society of Newspaper Editors (ASNE).	†174	4/17	Vance, Owen: remarks following meeting with Rhodesian transitional government in Salisbury.
*133	3/21	SCC, Subcommittee on Safety of Life at Sea (SOLAS), working group on standards of training and watchkeeping, Apr. 26.	*155	4/10	Vance: question-and-answer session following ASNE address.	†175	4/18	Foreign Relations of the U.S., 1951, Vol. VI, Parts 1 and 2: Asia and Pacific.
*134	3/21	SCC, SOLAS, radio group on radio communications, Apr. 27.	†156	4/10	International Center to house chanceries of foreign embassies in Washington and buildings for the Organization of American States.	176	4/18	Vance: statement on ratification of Panama Canal treaties.
135	3/24	Vance: news conference.			Procedure for requesting licences for marlin billfish sportfishing in the Cuban fishing zone.	*177	4/19	David Newsom sworn in as Under Secretary for Political Affairs (biographic data).
*136	3/28	Joint report of the Governments of Canada and the U.S. by special maritime negotiators Marcel Cadieux and Lloyd N. Cutler.	*157	4/11	Program for the state visit of Romanian President and Mrs. Ceausescu, Apr. 11-17.	*178	4/20	U.S., India amend trade agreement, Apr. 18.
*137	3/28	Study Group 8 of the U.S. Organization for the International Radio Consultative Committee (CCIR), Apr. 21.	*158	4/11	Alfred L. Atherton, Jr., sworn in as Ambassador at Large (biographic data).	*179	4/20	Vance: arrival remarks, Moscow, Apr. 18.
*138	3/28	Program of Atlanta Conference on U.S. Interests in the Middle East, Atlanta, Apr. 5.	*159	4/11	Harold H. Saunders sworn in as Assistant Secretary for Near Eastern and South Asian Affairs (biographic data).	*180	4/20	Advisory Committee on International Law, study group on transnational bankruptcy problems, May 18.
*139	3/29	U.S. Advisory Commission on International Educational and Cultural Affairs releases 14th annual report.	*160	4/12	Advisory Committee on Transnational Enterprises, Apr. 27 meeting rescheduled for May 4.	*181	4/20	Vance: dinner toast, Moscow.
*140	3/31	Second round of Great Lakes water quality agreement negotiations, Mar. 30.	*161	4/12	Advisory Committee to the U.S. national section of the International Commission for the Conservation of Atlantic Tunas, Apr. 26.	†182	4/22	Joint communiqué on U.S.-Soviet talks.
*141	3/31	U.S., Singapore sign air transport agreement.	*162	4/12	SCC, May 9.	†183	4/24	Vance: departure statement, Moscow, Apr. 23.
*142	3/31	U.S., Netherlands sign aviation agreement.	*163	4/13	Vance: departure Andrews Air Force Base, Apr. 12.	*184	4/24	Vance: arrival statement, Washington, D.C.
*143	3/31	CCIR, study groups 10 and 11, Apr. 21.	*164	4/14	William G. Bowdler appointed Director of the Bureau of Intelligence and Research.	*185	4/24	U.S. Organization for the CCIR, study group May 19.
*144	3/31	SCC, SOLAS, working group on bulk chemicals, Apr. 24.	*165	4/14	Vance: arrival remarks, Dar es Salaam, Apr. 13.			
145	4/4	U.S. program for the eastern Mediterranean.	*166	4/15	Vance: remarks following opening session of joint talks on Rhodesia, Dar es Salaam, Apr. 14.			
*146	4/5	U.S., Republic of China amend interim agreement on trade in cotton, wool, and man-made textiles, Mar. 30.	*167	4/15	Vance: remarks following second session of the joint talks on Rhodesia, Dar es Salaam, Apr. 14.			
*147	4/5	National Committee of the U.S. Organization for the CCIR, May 4.	*168	4/16	Vance: response to questions at the close of the Apr. 15 session of the joint session, Dar es Salaam, Apr. 15.			
*148	4/5	Advisory Committee on Transnational Enterprises, Apr. 27.	*169	4/16	Vance: response to questions at the close of the joint talks, Dar es Salaam, Apr. 15.			
*149	4/5	SCC, June 7.	†170	4/17	Joint statement issued at conclusion of the evening meeting, Dar es Salaam, Apr. 15.			
*150	4/5	SCC, SOLAS, working group on subdivision and stability, May 9.	†171	4/17	Vance, Owen: joint press conference, Pretoria, Apr. 16.			
151	4/6	Vance: statement before the House Committee on International Relations on security assistance proposals for Greece, Cyprus, and Turkey.	172		(Cancelled)			
*152	4/6	SCC, SOLAS, ad hoc working group on nuclear ships, May 3.	*173	4/17	SCC, SOLAS, working group			
*153	4/7	SCC, SOLAS, ad hoc working						

* Not printed in the BULLETIN.

† To be printed in a later issue.

U.S.U.N.

Press releases may be obtained from the Public Affairs Office, U.S. Mission to the United Nations, 799 United Nations Plaza, New York, N.Y. 10017.

No.	Date	Subject
*1	2/9	Leonard: Vietnamese Ambassador Dinh Ba Thi's departure, U.S. Host Country Relations Committee.
*2	2/14	Hormats: first session of committee established under UN Resolution 32/174 to assess establishment of new international economic order.
*3	2/15	Doyle: space programs, Committee on the Peaceful Uses of Outer Space.
*4	2/21	Bitterman: U.S. pledge to FAO World Food Program.
*5	2/23	Young: 110th anniversary of birth of Dr. W.E.B. DuBois.

- Special Committee Against Apartheid.
- 2/28 Itinerary of Amb. Young's trip to East Asia, Mar. 3-16.
- 3/3 Young: death of Robert Sobukwe.
- 3/6 Mezvinsky: work of U.N. Commission on Human Rights, ECOSOC, Geneva, Feb. 22.
- 3/9 Young: Economic and Social Council for Asia and the Pacific, Bangkok.
- 3/14 Young: Southern Rhodesia, Security Council.
- 3/17 McHenry: attack on Zambia by Rhodesian forces, Security Council.
- 3/18 Young: U.N. Interim Force in Lebanon, Security Council.
- 3/19 Young: southern Lebanon, Security Council.
- 3/19 Leonard: southern Lebanon, Security Council.
- 3/22 Horbal: improving the status of women, ECOSOC.
- 3/23 Good: implementing the program for the Decade for Women, ECOSOC.
- 3/27 Horbal: preparations for 1980 mid-term conference on women, ECOSOC.
- 3/28 Horbal: status of women in U.S., ECOSOC.
- 3/28 Horbal: protection of women and children in armed conflict, ECOSOC.
- 3/29 Horbal: effects of apartheid on status of women, ECOSOC.
- 4/3 Horbal: future of U.N. Commission on the Status of Women, ECOSOC.
- 4/3 Horbal: communications on women, ECOSOC.
- 4/5 Horbal: U.S. proposed topics for 28th session of the Commission on the Status of Women, ECOSOC.
- 4/10 Purpose of Rep. Mezvinsky's visit to Chile beginning Apr. 10.
- 4/12 Matteson: work of the Committee on Non-Governmental Organizations, ECOSOC.
- 4/14 Wells: review of reports on social development of the ECOSOC Social Committee, ECOSOC.
- 4/17 Falco: U.S. support of the Commission on Narcotic Drugs, ECOSOC.
- 4/20 Young: financing of the U.N. Interim Force in Lebanon (UNIFIL), Committee V—Administration and Budgetary.
- 4/21 Young: financing of UNIFIL, UNGA plenary session.
- 4/25 Mezvinsky: work of the 34th session of the Human Rights Commission in Geneva, ECOSOC.
- 4/27 Mezvinsky: human rights situation in Cambodia, ECOSOC.
- †32 5/1 McHenry: Namibia, Cape Town Press Club, South Africa, Apr. 7.
- *33 5/2 McHenry: Namibia, Security Council.
- *34 5/4 Hormats: committee established under UNGA Resolution 32/174 to assess establishment of new international economic order.
- *35 5/3 Young: enlargement of UNIFIL, Security Council. □

* Not printed in the BULLETIN.

† To be printed in a later issue.

PUBLICATIONS

International Law Digest¹

The Department of State released on November 15, 1977, the *Digest of United States Practice in International Law, 1976*, edited by Eleanor C. McDowell of the Office of the Legal Adviser.

This fourth annual *Digest* publishes diplomatic correspondence, speeches, treaties, legislation, court decisions, and other documents constituting the record of U.S. practice in international law in the calendar year 1976.

Of special interest are items on the U.S. negotiating position on the law of the sea treaty, including the International Seabed Resource Authority; the Treaty (with Mexico) on the Execution of Penal Sanctions; mediation efforts in southern Africa; the Foreign Sovereign Immunities Act of 1976; a Supreme Court ruling on the act of state doctrine; the Fishery Conservation and Management Act of 1976 extending fishery conservation jurisdiction to 200 miles off U.S. coasts; legislation concerning a revision of the Articles of Agreement of the International Monetary Fund and U.S. participation in the African Development Bank; initiatives in the field of human rights; the International Security Assistance and Arms Export Control Act of 1976; implementing legislation enabling the United States to become a party to two antiterrorist conventions; and legal memoranda on such topics as nonintervention in internal affairs and widening access to the International Court of Justice.

This volume, following the format of its three predecessor volumes, includes chapters on the individual in international law, treaty law, aviation and space law, international economic law, environmental and health affairs, peaceful settlement of disputes, the legal regulation of the use of force, and many other subjects.

Orders for the *Digest of United States Prac-*

tice in International Law, 1976, accompanied by checks or money orders, should be sent to the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

1976 *Digest of U.S. Practice in International Law* (850 pp.) \$9.50 (Stock No. 044-000-01645-1)

1975 *Digest of U.S. Practice in International Law* (947 pp.) \$11.00 (Stock No. 044-000-01605-2)

1974 *Digest of U.S. Practice in International Law* (796 pp.) \$11.00 (Stock No. 044-000-01566-8) (2d printing)

1973 *Digest of U.S. Practice in International Law* (618 pp.) \$7.50 (Stock No. 044-000-01525-1)

Treaties in Force²

The Department of State released on March 1, 1978, *Treaties in Force: A List of Treaties and Other International Agreements of the United States in Force on January 1, 1978*.

This is a collection reflecting the bilateral treaty relations of the United States with 188 countries or other political entities, as well as multilateral treaty relations with other contracting parties to more than 380 treaties and agreements on 97 subjects.

The 1978 edition lists some 500 new treaties and agreements including the treaty on prisoner transfer with Mexico; the agreement concerning transit pipelines with Canada; the fisheries agreements with Bulgaria, Canada, Republic of China, Cuba, European Economic Community, German Democratic Republic, Japan, Korea, Mexico, Poland, Spain, and the Union of Soviet Socialist Republics.

The bilateral treaties and agreements are arranged by country or other political entity, while the multilateral treaties and agreements are arranged by subject with names of countries which have become parties. Date of signature, date of entry into force for the United States, and citations to texts are furnished for each agreement.

Treaties in Force provides information concerning treaty relations with numerous newly independent states, indicating wherever possible the provisions of their constitutions and independence arrangements regarding assumption of treaty obligations.

Information on current treaty actions, supplementing the information contained in *Treaties in Force*, is published monthly in the *Department of State Bulletin*.

The 1978 edition of *Treaties in Force* (397 pp.) is Department of State Publication 8934 (GPO Cat. No. 9.14:978). It is for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, for \$5.50. □

¹ Press release 517 of Nov. 15, 1977.

² Press release 100 of Mar. 1, 1978.

Congressional Documents

Energy Transportation Security Act of 1977. Report of the House Committee on Merchant Marine and Fisheries, together with additional views, on H. R. 1037. H. Rept. 95-589 Aug. 26, 1977. 84 pp.

Delay in Decision on Alaska Natural Gas Transportation System. Communication from the President of the United States. H. Doc. 95-210. Sept. 7, 1977. 1 p.

Duty-Free Treatment of Aircraft Engines Used as Temporary Replacements for Aircraft Engines Being Repaired in the United States, and Other Matters. Report of the Senate Committee on Finance to accompany H. R. 422. S. Rept. 95-425. Sept. 9, 1977. 13 pp.

A Resolution Expressing the Sense of the Senate With Respect To European Communities' Restrictions on Processed Fruit and Vegetable Imports. Report of the Senate Committee on Finance to accompany S. Res. 76. S. Rept. 95-426. Sept. 9, 1977. 3 pp.

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Panama Canal Treaties. Message from the President of the United States transmitting the Panama Canal Treaty and the Treaty Concerning the Permanent Neutrality and Operation of the Panama Canal, signed on behalf of the United States at the headquarters of the Organization of American States on September 7, 1977. S. Ex. N. Sept. 16, 1977. 38 pp.

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Department of Defense Supplemental Appropriation Authorization Act, 1978. Report of the House Committee on Armed Services, together with dissenting views, to accompany H. R. 8390. H. Rept. 95-614. Sept. 20, 1977. 30 pp.

Protocol to the Convention on International Civil Aviation. Report of the House Committee on Foreign Relations to accompany Ex. A, 95-1. S. Ex. Rept. 95-11. Sept. 21, 1977. 3 pp.

Implementation of Convention on Cultural Property. Report of the House Committee on Ways and Means to accompany H. R. 5643. H. Rept. 95-615. Sept. 21, 1977. 21 pp.

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Findings and Recommendations Two Years After Helsinki. Report by the Commission on Security and Cooperation in Europe to the House Committee on International Relations. Committee Print. Sept. 23, 1977. 194 pp.

Alaska Natural Gas Transportation System. Message from the President of the United States transmitting his decision and report on an Alaskan natural gas transportation system. H. Doc. 95-225. Sept. 23, 1977. 271 pp.

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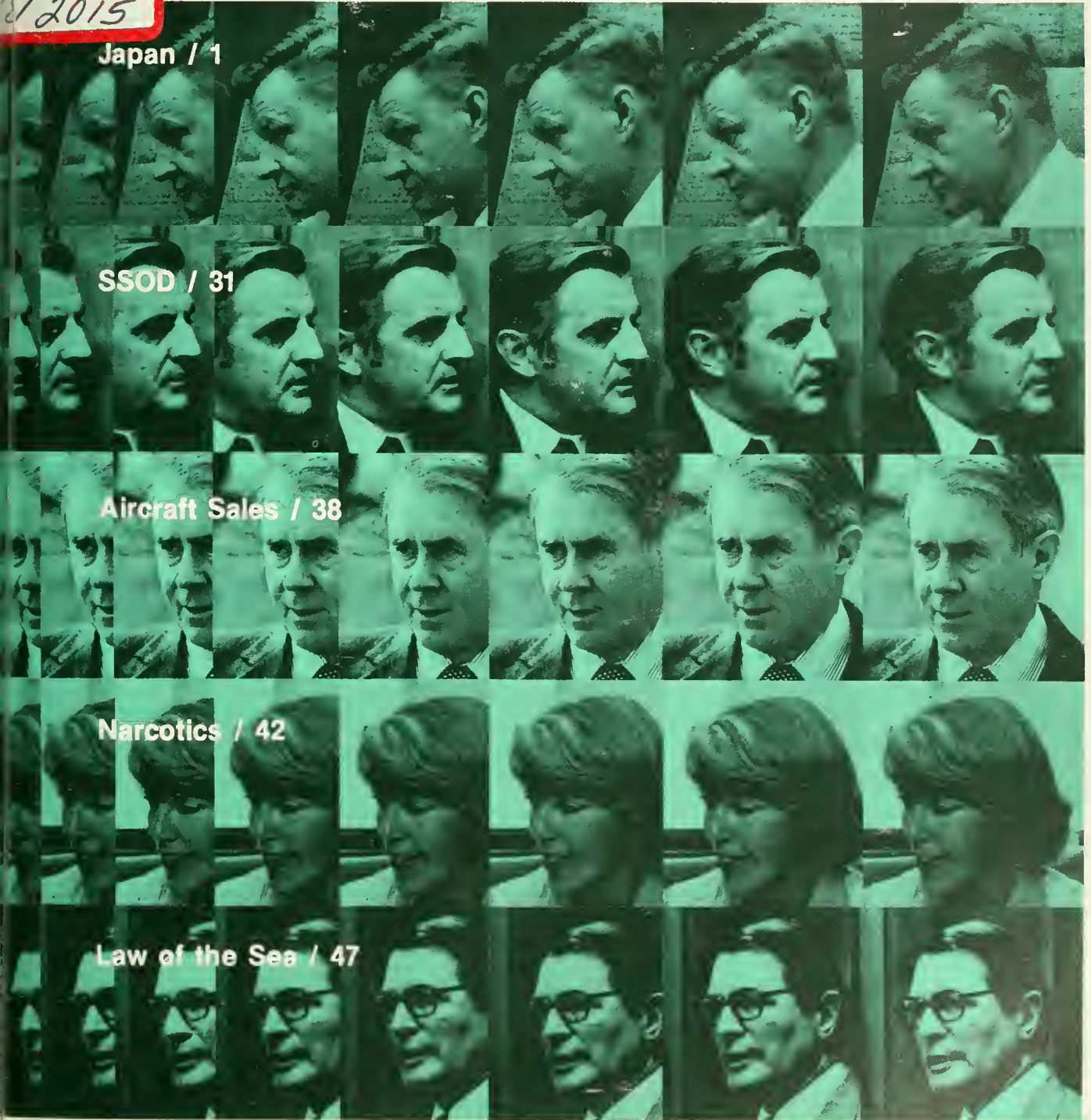
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Cover Photos:

Zbigniew Brzezinski
Vice President Mondale
Secretary Vance
K. Mathea Falco
Elliot L. Richardson

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President Carter and Japanese Prime Minister Fukuda in Washington.

THE UNITED STATES AND JAPAN

Zbigniew Brzezinski

would like to speak to you this evening about U.S. relations with Japan. I shall begin with a few remarks on the Administration's broader intentions in foreign policy, for this defines the context of our bilateral relationship. Our approach reflects both substantial continuity with the policies of our predecessors and some important nuances of change.

We seek wider cooperation with key allies. Close collaboration with Japan and Western Europe has been the point of departure for America's global involvement; however, we are also seeking to broaden patterns of cooperation to include the new "regional influentials," responding to changes over the last 5-20 years in the global distribution of power.

We are seeking to stabilize the Sino-Soviet relationship, pursuing through a broader range of negotiations a pattern of detente which is to be both comprehensive and genuinely reciprocal. At the same time, we are proceeding cautiously but more explicitly to protect American interest in Eastern Europe.

We intend to maintain sufficient military capabilities to support our global security interests. Above all, we shall maintain an adequate strategic deterrent; preserve, along with our NATO partners, the conventional balance in Europe; and develop a quick-reaction global force available for redeployment in areas of central importance to the United States, such as Korea.

Politically we shall remain engaged in all regions. In the Asia-Pacific area, we shall preserve a strategic and economic presence commensurate with our large and growing stake in the region. Above all, this requires a widening of our cooperation with Japan and an expansion of our relationship with China. We shall encourage our collaboration with the moderate states in Africa in the cause of African emancipation. No longer tied only to a regional approach, we shall strengthen our bilateral ties with the nations of Latin America while cooperating with them more fully on global concerns. We shall continue to pursue a genuine settlement in the Middle East while expanding our

relationship with the moderate Arab countries.

- We shall increase our efforts to develop constructive and cooperative solutions to emerging global issues. Above all, we need to head off any drift toward nuclear proliferation.

- We shall seek to sustain domestic support for our policies by rooting them clearly in our moral values. We believe that our devotion to human rights is responsive to man's yearning everywhere for greater social justice.

This is an ambitious agenda. We shoulder the responsibilities it imposes on us willingly. But obviously we cannot shoulder them alone. Success will require greater cooperation, above all with our closest friends.

Centrality of U.S.-Japan Relations

Japan is clearly such a close friend. We have been impelled toward a special relationship with Japan by the force of history and by strategic and economic imperatives. The members of this Society have long recognized the basic proposition I wish to affirm this evening: Close partnership between the United States and Japan is a vital foundation for successful pursuit of America's wider objectives in the world. If relations between America and Japan are strong, we benefit and

the world benefits; when we run into difficulties, we suffer and others suffer with us.

Our alliance not only protects the security of Japan and America; it has also become a central element in the equilibrium in the Pacific, which all the major powers share a stake in preserving.

Japan is our largest overseas trading partner; trade between us exceeded \$29 billion in 1977. Economic cooperation confers benefits on each of us; it also sustains the prosperity of the Pacific basin and the stability of the international trade and payments system.

Effective responses to pressing global issues—whether the development of alternative sources of energy, expanding food production, assuring equitable access to the riches of the ocean area, or stemming nuclear proliferation—demand active collaboration between us.

In short, we are mutually dependent. No relationship in our foreign policy is more important. None demands more careful nourishment.

While cooperation between the United States and Japan is indispensable, it is not automatically assured. Managing our relationship has become more challenging as our links have grown more numerous and more com-

Zbigniew Brzezinski was born on March 28, 1928, in Warsaw, Poland. He came to North America in 1938 and to the United States in 1953. In 1958 he became a naturalized U.S. citizen. He received a B.A. (1948) and an M.A. (1950) from McGill University. He received a Ph.D. from Harvard University (1953) where he then taught and researched (1953-60). He was associate professor (1960-62), Herbert Lehman professor of government (1962-77), and director of the Research Institute on International Change (1961-77)—formerly the Research Institute on Communist Affairs—at Columbia University.

Among his other activities, Dr. Brzezinski served as a member of the Policy Planning Council of the Department of State from 1966 to 1968. He was director of the Trilateral Commission from 1973 to 1976 and traveled extensively on its behalf.

Dr. Brzezinski became Assistant to the



President for National Security Affairs on January 20, 1977.

plex and as each nation's policies have come to have a more direct impact on the welfare of the other's people. Moreover, most of the problems we face are bigger than both of us—they are not susceptible to bilateral resolution, and they arise most frequently in multilateral forums.

It is scarcely surprising, therefore, that our relations have not been entirely free of difficulties. Over the last year, for example, our approaches to nuclear reprocessing diverged to some extent, and we experienced a large trade imbalance.

In each case we consulted closely. We devised arrangements for managing these problems which reflected both our respective concerns and the broader interests of the international community. We demonstrated that the test of effective ties between societies as dynamic as ours and economies as competitive as ours is not the absence of problems but the spirit in which we confront them and the competence with which we resolve them.

Current Challenge

Our interests and Japan's require that we broaden and deepen our ties, adapting our relationship to an era in which our policies have a global impact. This imposes on each of us an obligation to take each other's interests and perspectives carefully into account on a wider and wider range of issues.

Japan's extraordinary economic growth has challenged it to define a wider vision of its role in the world—in Asia and beyond. Japanese decisions, which once would have been considered domestic in character, now impinge directly on the interests of distant nations. Japan's capacity to promote global economic development, to aid its neighbors, to promote a constructive North-South dialogue, to encourage the reconciliation of former rivals, and to provide for its own defense have grown. So have the expectations of Japan on the part of the international community. A commitment of Japan's political and economic capabilities to the achievement of major global goals is essential to a strong U.S.-Japanese relationship.

In recent years the United States has placed its relationship with Japan primarily in a setting of collaboration among the advanced democratic countries. This is entirely appropriate. It is important that we remember, however, that while Japan is an industrial power, it is also an Asian nation, acutely interested in the continuity of America's role in the Pacific. Uncer-

tainties about our Asian intentions have inevitably arisen in the wake of our disengagement from Indochina and our planned ground force withdrawal from Korea. A strong American role in the Pacific remains essential for the protection of our own strategic interests. It is also an important factor in our relationship with Japan. We must adjust our relationship to accommodate these concerns.

TEN LARGEST U.S. TRADING PARTNERS (1977) (millions of dollars)

Country	Total Exports and Imports
Canada	55,507.7
Japan	29,424.0
West Germany	13,340.8
United Kingdom	10,490.5
Saudi Arabia	9,932.7
Mexico	9,495.1
Venezuela	7,247.1
Nigeria	7,049.9
France	6,577.0
Netherlands	6,281.4

Broadening Cooperation

In the economic field, the world has had to accommodate to Japan's growing strength, even as Japan has been adapting its own policies to shoulder the responsibilities which strength confers.

Neither we nor the Japanese have adjusted policies quickly enough in

recent years to avoid major difficulties. Consequently our economic relations have been marked over the year by a growing Japanese current account surplus, sharp imbalance in our bilateral trade, a huge balance-of-payments deficit, and currency disorders. These structural problems arise particularly out of dramatic growth in U.S. oil imports in recent years and from Japan's transition to an era of lower economic growth. They have global consequences.

Only through concerted action by the advanced industrial democracies can we deal effectively with our common problems. We will all go forward together to lower trade barriers, succumb together to protectionism. That is why we must assure a continued expansion in world trade through the successful conclusion of the multilateral trade negotiations (MTN) in Geneva this summer. The United States has taken the lead in presenting a forthcoming tariff schedule which we expect other strong economies to match.

The United States and Japan bear special responsibilities for actions which will not only reduce barriers to trade through a fair and balanced trade agreement but also promote continued economic recovery, check disorderly exchange rate movements, encourage energy conservation and the development of alternative sources, and increase the transfer of resources to promote growth in the economies of the developing nations. We cannot afford to pursue beggar-thy-neighbor policies, export our domestic prob-

Visit of Japanese Prime Minister Fukuda

Prime Minister Takeo Fukuda of Japan made an official visit to Washington May 1-3 to meet with President Carter and other government officials. The two leaders last met in May 1977 at the economic summit conference in London.

In their discussions on May 3, the President and the Prime Minister exchanged views on global economic issues in preparation for the Bonn summit in July 1978, including economic growth, inflation, balance of payments, monetary policy, energy, trade, and aid flows.

The two leaders consulted on ele-

ments of their respective policies in Asia, stressing the importance of the U.S.-Japan relationship and touching upon the Korean Peninsula, China, and Southeast Asia. In the latter connection the Japanese Government announced its intention to increase its contribution to the U.N. High Commissioner for Refugees by \$10 million in support of Indochina refugees as well as its willingness to accept under certain conditions refugees for permanent residence in Japan.

The President and the Prime Minister also agreed to expand cooperation in science and technology.

thers, or look for scapegoats. We have a mutual responsibility to deal with the fundamentals of these problems.

The United States must take decisive action in several areas:

• The implementation of an effective energy program is the most important step. We must substantially reduce our oil imports if we are to reduce our current-accounts deficit, ease pressures on the dollar, and stabilize international money markets. The Administration presented an energy bill to the Congress more than a year ago. We need action, and if Congress does not act, then the executive branch must. While the United States has the largest problem in this respect, the question of how to take action to conserve and develop alternative sources of energy must enlist the efforts of all advanced nations as well—and particularly those of Japan which experience extraordinary dependence on external sources of supply.

• We must bring inflation under control not only for domestic reasons but also to bolster our competitiveness in international trade.

• We must devote more effort to the promotion of American exports. In the months to come the Administration will look not only for ways to encourage exports but to reduce or eliminate current governmental practices which reduce our competitiveness and discourage our business community from searching out overseas markets.

These adjustments are required not only to underpin our economic position in the world but to enhance the stability and growth of the international economy and thus fortify our economic ties with Japan. Japan must make comparable structural adjustments for it has become too large an economy to rely on export-led growth.

The Japanese Government recognizes the need for such adjustments and has begun actions designed to achieve sharp reductions in its current account surplus in 1978; an economic growth rate of 7% this fiscal year; an agreement assuring the U.S. of a gradual and roughly equivalent access to the Japanese market; and extended long-term capital flows to the developing countries. These measures are essential to the vitality of the world economy as well as the continued health of our bilateral relations. We must be decisive in action and patient in awaiting the results.

One looks beyond current economic problems, there is a remarkable

U.S. AMBASSADOR TO JAPAN

Michael Joseph Mansfield of Missoula, Montana, was born on March 16, 1903, in New York City. He served in the U.S. Navy (1918–19), the U.S. Army (1919–20), and the U.S. Marines (1920–22); he worked as a miner and mining engineer in Butte, Montana (1922–31). He received an A.B. (1933) and an M.A. (1934) from the University of Montana where he was then a professor of history and political science (1933–42).

In 1943 Ambassador Mansfield was elected to Congress and served until 1952 when he was elected to the Senate. He was a U.S. Senator until 1977 and was Senate Majority Leader from 1961 to 1977, the longest tenure in U.S. Senate history. He was a member of the Committee on Foreign Relations, the Appropriations Committee, the Policy Committee, and the Steering Committee.

Ambassador Mansfield was a Presidential representative in China in 1944. He was a U.S. delegate to the IX Inter-American Conference in 1948 and attended



the 6th U.N. General Assembly in Paris (1951–52). He was a U.S. delegate to the Southeast Asian Conference in Manila in 1954. In 1958 he attended the 13th U.N. General Assembly. Ambassador Mansfield has traveled on Presidential assignment to West Berlin, Southeast Asia, and Vietnam (1962) and to Europe and Southeast Asia (1965 and 1969); he visited the People's Republic of China in 1972 at the invitation of Premier Chou En-lai.

He was sworn in as U.S. Ambassador to Japan in May 1977.

consonance of view between the United States and Japan on virtually all major international issues. We intend to sustain this confluence in our approaches toward the major Communist powers, toward Asian issues, toward the North-South dialogue, and toward major international negotiations. We look for Japan to play a more active political role in dealing with such matters. It is neither necessary nor possible to preserve identical policies on such issues, but the development of compatible approaches to common problems should be an objective for us both.

America's Role in Asia

Close cooperation between us is especially important in Asia. There have been recurrent suggestions that the United States is withdrawing from Asia. These suggestions are untrue. The United States will maintain a strong and diversified military presence and an active diplomacy in the Asian-Pacific region to support our growing economic and political stakes in the area.

• Above all, we shall sustain the Treaty of Mutual Cooperation and Security with Japan. For Japan this treaty offers strategic protection and firm moorings for its diplomacy. For the United States, alliance with a Japan

steadily improving its self-defense capabilities provides the anchor for our position in East Asia and extends the reach of our strategic and political influence in the Pacific. Beyond these reciprocal benefits, our alliance contributes to the stability of Northeast Asia and the Pacific, and it threatens no one.

• We will manage ground combat force withdrawals from Korea in a prudent fashion and help build up South Korea's capabilities in order to assure that there is no weakening of its defenses.

• We shall preserve the strength of the 7th Fleet and our air units in the Pacific while improving them qualitatively.

• We shall strengthen our ties with our traditional allies in Australia and New Zealand.

• We shall seek to assure our continued access to military facilities in the Philippines through arrangements which take full account of Philippine sovereignty over the bases.

• We shall deepen our bilateral relations with the non-Communist states of Southeast Asia and encourage the growing cohesion of the Association of South East Asian Nations. And we shall persevere in our measured efforts to develop constructive relationships with Indochina.

• In recent years Asian nations have come to depend more heavily

upon U.S. trade and investment as a result of our strong and steady growth and the comparatively greater access Asian producers of manufactured goods enjoy in our market. We expect that to continue.

• The American-Chinese relationship is a central element of our global policy. We shall endeavor to expand our relations with the People's Republic of China. It is important that we make progress in normalizing relations with China, and we shall consult with the Chinese on major international matters that are of importance to us both.

The steady implementation of these policies is required by our own interests and should converge with Japanese interests.

Our defense cooperation, specifically, is excellent. Japan is strengthening its air and naval defenses. Cooperation between our uniformed services is growing. Base issues arise less frequently and are resolved amicably. Last fall Japan agreed to help with some of the expenses associated with our military presence.

We look for these trends to evolve further, even as Japan continues to remind the world that security cannot be achieved through military strength alone. Through such measures as Prime Minister Fukuda's trip to Southeast Asia last summer, Japan has undertaken to expand its role in Asian development, speed the development of a strong regional grouping in Southeast Asia, and discourage the emergence of polarization between two antagonistic blocs in that area. These are constructive steps, and we welcome their vigorous implementation.

In the weeks ahead, there will be visible evidence of our resolve to intensify America's diplomatic efforts in Asia.

Vice President Mondale will depart April 29 for Southeast Asia and the Southwest Pacific. He will visit the Philippines, Thailand, Indonesia, Australia, and New Zealand on a mission which we consider of great importance. Important changes are taking place in that region. The Vice President will be assessing the force and direction of those changes in order to offer recommendations on how we can continue to play a constructive role commensurate with our significant stake in the prosperity and security of that area.

On May 3 Prime Minister Fukuda will visit Washington for consultations with President Carter. We welcome this chance to harmonize our ap-

proaches to key issues in advance of the Bonn summit in July. The two leaders know and respect each other; I know personally that they work well together.

On May 18 I will embark on a trip to Northeast Asia. In Peking I will discuss global issues of parallel concern with Chinese leaders. Subsequently I will visit Tokyo and Seoul to hold consultations with the leaders of Japan and the Republic of Korea.

Conclusion

The relationship that has developed between the United States and Japan is uniquely significant. Despite differences in our national situation and national styles, we have fashioned ties that are rooted in shared interests and common values—our commitment to

democratic procedures, civil rights, the market system, a free press, open societies.

The attributes of the Japanese people and nation are formidable. People and a nation, we have cor- respect, admire, and often learn from Japan—even as we compete. This is the essence of our interdependence which has been built carefully on trust, vitality, and common purposes.

Looking back at what we have created over the past 30 years, we can assert with confidence that we have established a permanent partnership of value not only to ourselves but to the entire world community. We will work to assure its durability.

Address before the Japan Society in New York on Apr. 27, 1978 (text from White House release of Apr. 27).

JAPAN—A PROFILE

Geography

Area: 147,470 sq. mi. (slightly smaller than Calif.).

Capital: Tokyo (pop. 11.6 million).

Other Cities: Osaka (2.8 million), Yokohama (2.6 million), Nagoya (2 million), Kyoto (1.4 million).

People

Population: 113 million (1976)

Annual Growth Rate: 1%

Density: 778 per sq. mi.

Religions: Shintoism, Buddhism

Language: Japanese.

Literacy: 99%.

Life Expectancy: 72 yrs. (males, 77 yrs. (females)).

Government

Type: Parliamentary democracy.

Date of Constitution: May 3, 1947.

Branches: *Executive*—Prime Minister (Head of Government) *Legislative*—bicameral Diet of House of Representatives (511 seats) and House of Councillors (252 seats) *Judicial*—Civil law system with Anglo-American influence.

Political Parties: Liberal Democratic Party (LDP), Japan Socialist Party (JSP), Democratic Socialist Party (DSP), Komeito (Clean Government Party), Japan Communist Party (JCP), New Liberal Club (NLC).

Suffrage: Universal over 20.

Administrative Subdivisions: 47 Prefectures.

Economy

GNP: \$584 billion (1977).

Annual Growth Rate: 6.3% (1976).

Per Capita GNP: \$5,000 (1977)

Agriculture: *Products*—rice, vegetables, fruits, milk, meat, natural silk.

Industry: *Products*—machinery and equipment, metals and metal products, textiles, autos, chemicals, electrical and electronic equipment.

Natural Resources: Negligible mineral resources, fish.

Trade: *Exports*—\$80.5 billion (1977) machinery and equipment, metals and metal products, textiles. *Partners*—U.S. (24.5%), EC (10.9%), Southeast Asia (31.5%), Communist countries (6%). *Imports*—\$70.8 billion (1977): fossil fuels, metal ore, raw material foodstuffs, machinery and equipment. *Partners*—U.S. (17.5%), EC (5.9%), Southeast Asia (49.9%), Communist countries (4.7%).

Official Exchange Rate: (floating) approximately 225 yen=US\$1.00 (May 1978).

Economic Aid Extended: Total official and private resource flow (1976)—\$4 billion; official development assistance (1976)—\$1.1 billion.

Membership in

International Organizations

U.N. and its specialized agencies, IC, GATT, OECD, IEA

Principal Government Officials

Japan: Prime Minister—Takeo Fukuda; Minister of Foreign Affairs—Sunao Sonoda; Ambassador to the U.S.—Fumihiko Togo.

United States: Ambassador Michael J. Mansfield.

Taken from the Department of State's January 1978 edition of the BACKGROUND NOTES on Japan. Copies of the complete NOTE may be purchased for 50¢ from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (a 25% discount is allowed when ordering 100 or more NOTES mailed to the same address).

Japan in the World Economy

Robert D. Hormats

The United States and Japan are the world's two largest market economies, with GNP's of \$1.8 trillion and \$584 billion, respectively, in 1977. Japan is the second largest trading partner of the United States (after Canada). Last year our two-way trade came to \$29 billion.

In addition, Japan is the largest export market for many Asian countries, representing 40% of the exports of Indonesia, about 30% of the exports of Australia and Thailand, and 20% of the exports of Korea, Malaysia, and the Philippines. Japan's growth, therefore, helps to stimulate U.S. exports directly and through its positive effect on other economies.

The economic development of Japan in the last 30 years has been dramatic. In 1952 Japan's per capita GNP of \$188 put it in the ranks of middle-level developing countries. Its per capita GNP of over \$5,000 in 1977 put it close to the top among industrialized democracies.

Japan's rapid growth, and the structure of Japan's economy which developed along with that growth, may throw shadow on future developments in other economies. Over the past several years economic consultations with the Japanese have focused on our joint efforts to manage the adjustments to Japan's increasing economic weight within the framework of the liberal trade and payments system set up under the General Agreement on Tariffs and Trade (GATT) and the International Monetary Fund (IMF). We look at the increasingly strong growth in the economies and exports of more advanced developing countries such as Korea, Brazil, Mexico, Taiwan and observe also the rapid shifts in comparative advantage brought about by rapid communication and transportation, we may expect that these and similar countries increasingly pose adjustment problems for the United States as well as Japan and for the world economy as a whole. We and the other industrialized democracies will have to give increasing thought to this aspect.

Perhaps our experience with the development and growth of Japan will be instructive.

Role of Exports

Japan is a country which has industrialized with virtually no resource base. It imports all of the crude oil, iron ore, cotton, wool, bauxite, and gum rubber it uses; nearly all of its copper and roughly 75% of its coal. This nearly total dependence on imported raw materials means that Japan's prosperity depends heavily on international trade. It accounts in large measure for Japan's strong concerns about exports and the importance placed on them by Japanese society. Japan has a natural trade deficit in raw materials and trade-related services. It seeks a surplus in trade in manufactured goods to balance these.

Yet, as in the U.S. economy, the share of trade in the Japanese economy is surprisingly low. Over the 1953-72 period, Japanese exports were 11.3% of GNP, and imports were 10.2% of GNP, compared to 21.2% and 20.9% for the European members of the Organization for Economic Cooperation and Development (OECD). In 1976, Japanese exports were still only 14% of GNP and imports only 12%.

Increased exports have accompanied Japanese growth and have contributed significantly to it, but they have not been the key factor. Japanese growth and industrial policies in the postwar period have focused mainly on stimulation of domestic economic expansion; strong export performance proceeded in parallel with this effort.

Japan has had to husband its limited resources carefully, for its growth depends on making the most efficient use of its labor, capital, and land. To create economic growth from a very small capital stock after World War II, the Japanese Government encouraged debt financing, through the Bank of Japan, to promote investment. The focus has been on a few key industries—especially chemicals, steel, shipbuilding, and autos. Tax policy encouraged saving and investment and gave incentives for industries' expansion. Import competition, at least to the mid-1960's, was very tightly controlled by protective barriers. Those firms that could expand rapidly enjoyed the greatest benefits by borrowing heavily and by taking advantage of tax breaks, such as accelerated depreciation on new equipment. Firms that

could export as well as supply the domestic market expanded especially rapidly, received substantial tax benefits, and enjoyed significant economies of scale. They could undersell smaller competitors without sacrificing return on capital and so expand further at the expense of smaller companies.

These carefully designed government programs of growth incentives have been enormously successful in expanding the economy. They have stimulated a flow of resources from a huge pool of savings (about 35% of GNP) into high-growth industries, with the greatest benefits going to the most price-competitive, largest-volume firms. The growth of Japan's domestic economy has led the export sector.

Exports are, however, an important factor in Japanese growth. They have served to maintain economic activity in times of slack domestic demand. Because of their high-fixed costs—particularly levels of debt and "lifetime employment" policies—Japanese firms place a premium on maintaining high levels of output. Many have also invested a great deal of time, effort, and managerial talent in developing and servicing their foreign markets, encouraged in part by the persistent undervaluation of the yen in the 1960's. When domestic demand drops during recession, Japanese producers understandably turn to export markets to maintain use of capacity.

The largest gains in Japanese shares of foreign markets have coincided with, or followed immediately after, domestic recessions. The ability of Japanese industry to turn rapidly to production for export when domestic demand falls has helped Japan to shorten downturns in the business cycle and sustain high rates of growth.

Why have Japanese growth and export policies created such extreme tensions among the industrialized countries when other countries, including Western Europe and the United States, have also experienced a rapid growth in exports over the past 30 years? Major reasons are the phenomenal growth in the Japanese economy compared to other economies and the concentration of Japanese exports in a relatively few product areas.

Part of the answer also lies in the composition of Japan's trade in manufactured goods. In North America and in Western Europe, a large part of the growth in exports in manufactures since the mid-1950's has been in intermediate goods. There has been a clear trend toward increased specialization, a trend accelerated by the formation and expansion of the Euro-

pean Economic Community and by close economic links between the United States and Canada. Over half of world trade in manufactures consists of shipments of intermediate inputs, and over half of the growth of trade in manufactures (1955-73) has occurred within North America and within Western Europe rather than among continents. For countries in these geographic regions, exports of manufactures include a high percentage of foreign inputs. Thus a country's imports may actually include a substantial amount of intermediate goods which it had earlier exported.

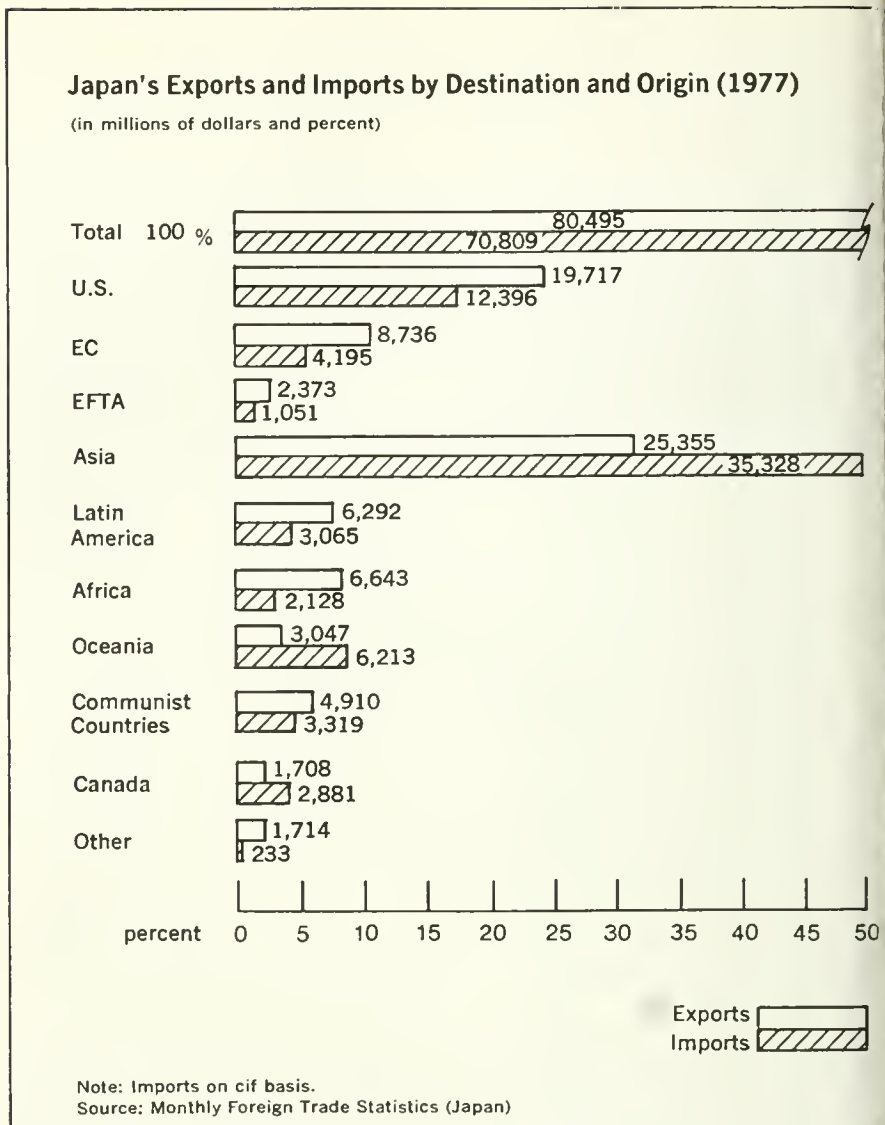
Japan, however, is not part of an integrated, geographic trading area and for a time was significantly insulated from intermediate products from other areas by trade barriers. Except for its dependence on raw materials, most of its economy is, therefore, self-contained. Its main trading partners are the diverse countries of the Pacific rim, the United States, and the countries of Southeast Asia. Because of its geographic position and its trade policy, Japan did not participate as fully as others in the process of international specialization in manufacturing which occurred in the 1950's and 1960's. Its imports of manufactures are unusually low—about 20% of total imports with little growth—so that its exports of manufactures contain a very high proportion of domestic value added. And manufactures are over 90% of Japanese exports.

In other words, despite the relatively low ratio of export to GNP, an unusually large part of the value of Japanese export production is domestic. The lack of Japanese participation in trade in intermediate manufactured goods, and the difficulty in penetrating the Japanese market encountered by intermediate or final products, has reduced the benefits that other industrialized countries receive from Japanese growth.

Trade Barriers

Trade barriers contributed in a major way to the low share of manufactures in Japan's imports. And while Japan has, in the 1970's, embarked on a constructive and sustained path toward reducing these, the legacy of the 1950's and 1960's has had an impact on the structure of Japanese industry.

In the 1950's, as the Ministry of International Trade and Industry (MITI) moved to spur development of key sectors such as petrochemicals, automobiles, electronics, and heavy machinery, the Japanese Government



imposed quotas to block imports of competing products. These quotas were extremely restrictive; for example, virtually no foreign cars entered Japan from the early 1950's to the late 1960's.

This high degree of protection also inhibited Japanese access to foreign markets. Although Japan joined the GATT in 1955, many countries (including the United Kingdom, France, and Austria) contended that Japanese quotas prevented establishment of reciprocal most-favored-nation (MFN) treatment and refused (under article XXXV) to assume GATT obligations toward Japan. Nevertheless, because Japan accounted for only a small share of world trade (3.2% in 1960), Japanese protection did not create major problems for the world trading system.

Gradual liberalization of Japan's import regime, and full acceptance of Japan as an MFN trading partner,

came in the 1960's. In 1962, items were still under Japanese quota restriction. This fell to 229 in 1970, and stands at 122 by 1970, and stands at 122 today. Many other industrialized nations, it must be noted, have roughly the same number of quotas.

Removal of quotas, however, posed other trade barriers. In the 1950's, tariffs were quite high—the neighborhood of 15% on capital goods and 24% on consumer goods in nominal terms. And because Japan maintained tariffs on goods at advanced stages of production that were sharply higher than tariffs on raw materials, the effective rate of tariff protection was much higher than the nominal rate.

The Kennedy Round produced a noticeable liberalization of Japanese tariff barriers, lowering nominal rates to about 9.5% on capital goods and about 12% on consumer goods, with the estimated rate of effective protection

falling from 22% to 13% on capital goods and from 35% to 14% on consumer goods. Unilateral tariff reductions of 20% in October 1972 further reduced applied tariffs to an average of about 8% on industrial goods, although these applied rates are not bound internationally under GATT. And high protective tariffs remain on some key items, e.g., 15% on computers and 22.5% on general equipment.

Japanese tariffs on industrial goods are a central issue in the multilateral trade negotiations (MTN), where our objective, as stated in the Strauss-Kahn joint statement [of January 1977], is to achieve comparable average levels of bound tariffs at the end of the negotiations. We will also continue to work on nontariff barriers and other impediments to trade. Major reductions by Japan in this exercise would be still another step in improving the balance between manufactured goods and raw materials in Japanese imports and improve the climate for Japanese exports as well.

Structural barriers to imports also create difficulties for importers. Structural problems include the complex and fragmented Japanese distribution system. Japan relies for distribution of goods on an extraordinarily large number of very small retail outlets—about twice as many retail outlets per 1,000 of population as does the United States. The chain of distribution, from the importer to the retailer, involves many links, and goods passing through the chain must be marked up at every stage. An important good which arrives at the border with a price advantage over Japanese domestic production may lose this advantage through these successive mark-ups, although some Japanese firms also suffer from the distribution difficulties.

Japanese consumers also appear to prefer domestically made goods. This is probably a question of taste, a problem which can be overcome by continual market research by potential exporters and adaptation of products to meet the needs of the Japanese market. Clearly, American producers who want to export to Japan must make the same efforts to accommodate Japanese tastes as Japanese exporters do in accommodating American tastes.

Agriculture

Agriculture is the most inefficient and highly protected sector of Japan's economy. Despite very high prices, the average farmer's productivity in

Japan is only about one-fifth that of the average worker in manufacturing. Farm income is correspondingly low. Despite protection, however, we should not forget that Japan is a large, growing, and reliable consumer of U.S. agricultural products—it's our best agricultural customer.

The barriers to agricultural trade with Japan flow directly from the social and political situation of its farmers. Farm population in Japan, which was still 27% of the total in 1960, has fallen to about 10% in 1976. The remaining farmers tend to be older persons with little interest, or ability, in nonfarm employment. They constitute an important political bloc, largely supportive of the ruling Liberal Democratic Party (LDP). Perhaps 80% of LDP members of the Japanese Diet come from districts with substantial members of farm voters, and a very sizable block of LDP Diet members is totally opposed to any liberalization of agricultural trade.

In addition, Japan feels a sense of insecurity about access to food supplies, a concern heightened by talk of "agripower" and by the short-lived U.S. embargo on soybean exports in 1973. As a result, Japanese self-sufficiency in agriculture remains high—about 72% overall—with sharp declines in the past 20 years only in wheat, barley, and soybeans.

The Ministry of Agriculture gets 10–12% of the national budget, and outlays for farm price supports—principally for rice—are extremely high.

The import quotas still maintained by Japan are virtually all on agricultural products. Among the most acute problems for U.S. exports are the quotas on beef—which sells for about \$17 per pound in Tokyo—and citrus products. Japanese tobacco imports are heavily restricted by state-trading practices. State trading also affects rice, wheat, barley, and rye; many dairy products; salt; and alcohol. The United States is also affected by Japanese restrictions on meat, poultry, dairy products, and a variety of fruits and vegetables. These problems are under discussion bilaterally and in the MTN.

Shifting Comparative Advantage

But while some sectors of Japan's economy are protected and inefficient, many others are extremely dynamic. Consistent with its desire to make the most efficient use of its resources, Japan has been quick to take advantage of shifts in compara-

tive advantage between it and certain developing countries. One prominent economist has called this phenomenon the "dynamic international division of labor."

In the 1930's Japan began competing internationally with the United Kingdom in textiles. It moved into a wide range of other light industrial exports during the 1950's. In the 1960's it shifted into increasingly sophisticated and technologically advanced areas.

These shifts have taken place not only because there is demand from advanced markets such as the United States for high-technology products but also because there is increased export competition in less sophisticated product areas from the middle-level developing countries such as Taiwan, Korea, Hong Kong, and Singapore. And in 1977, total exports from these four countries were almost half of total exports from Japan.

These countries have moved into three different geographical markets formerly occupied almost exclusively by Japanese products:

- Markets in the developing countries themselves;
- Markets in Japan; and
- Markets in developed countries such as the United States.

For example, Japan's exports of TV receivers to Asian markets in Southeast Asia dropped by 46% between 1970 and 1976, while Japan's imports of TV receivers from the four countries mentioned above almost doubled.

Similarly, Japan's share of the U.S. textile and apparel imports dropped from about 25% to around 10% between 1970 and 1976, while the four Asian countries mentioned increased their share from about 25% to over 40%. Drops in Japanese market shares and increases in the other Asian countries' market shares also occurred in many other product categories, including clothing, plywood, footwear, radios, and television sets.

With Japanese industries increasingly feeling the pressure of Asian competition, there is increasing incentive for them to move into higher value-added industries. There are some demands for protection in Japan, but imposing new restrictions on imports does not seem to be the sort of policy the Japanese Government is interested in pursuing.

Rather, the Japanese Government is moving toward speeding the process of adjustment of Japanese industries to the new competition, moving

workers out of less competitive, low-technology industries into more competitive, high-technology areas. Japanese leaders are recognizing that the structural changes in the other Asian countries are quite rapid, with entirely new products being exported from these countries during a period of only a few short years. In addition to industry-specific adjustment programs to relieve pressures on structurally depressed industries, the Japanese Government's attainment of its growth target will assist Japanese industries in their shift from lower-technology to higher-technology areas.

Post-1973 Events

The 1973 oil embargo, followed by the quadrupling of oil prices, led to the recession that has contributed heavily to today's situation.

In 1971 and 1972, Japan experienced an extraordinary surge in exports, a large balance-of-payments surplus, and a huge increase in holdings of foreign exchange. Official reserves, which stood at \$4.8 billion at the end of 1970, rose to \$14.1 billion by the end of 1971 and to almost \$17 billion by the end of 1972. This rise occurred despite the 17% yen revaluation of December 1971 from a relatively constant postwar rate of 360 to the dollar to roughly 315. These developments led to strong international criticism of Japanese policies and to pressure on Japan to liberalize import barriers—a situation not unlike today's.

It was in this atmosphere that Japan reduced industrial tariffs unilaterally by 20% in October 1972, floated the yen (which rose to roughly 271), and hosted the meeting of ministers that inaugurated the Tokyo Round of

multilateral trade negotiation September 1973.

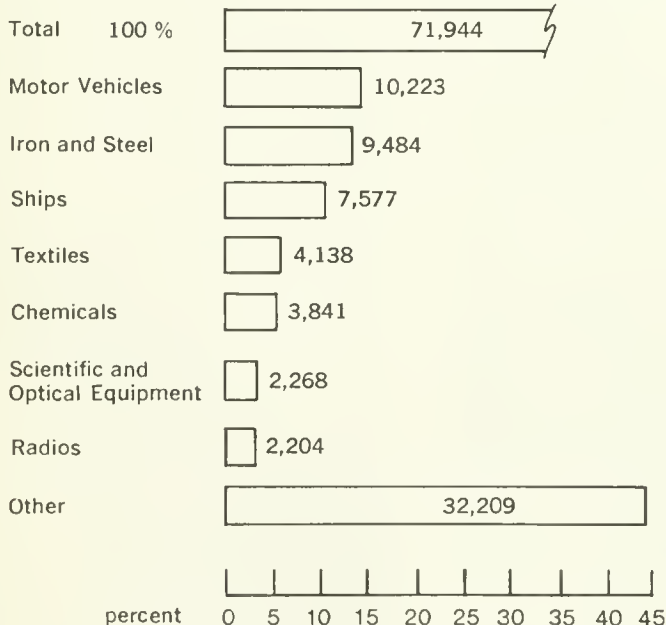
The October 1973 oil crisis halted these trends. Japan experienced tremendous inflationary pressure and a drop in the yen against the dollar. Domestic policies, including price controls and restrictive fiscal and monetary policies, were introduced to curb demand, and GNP fell in 1973. The yen weakened to 300.

These measures took some time to take hold. Inflation in consumer prices approached a peak of 45% in the spring of 1974. The Japanese balance of payments shifted into deficit (\$4.7 billion on current account in 1974). The next stage of the Japanese response was characterized by efforts to let the price system reflect increases in energy and other commodity prices. Direct price controls were eliminated by the end of 1974. In products, power, and other de-

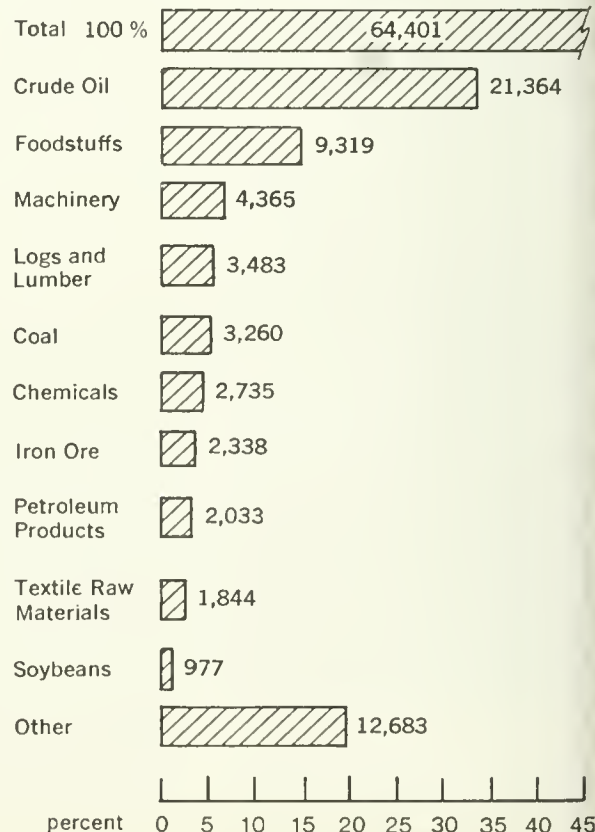
Japan's Exports and Imports by Principal Commodity (Jan.—Nov. 1977)

(in millions of dollars and percent)

Exports



Imports



Note: Imports on cif basis.

Source: Monthly Foreign Trade Statistics (Japan)

1978

increased in price by 30–50%. Monetary and fiscal policies held down the rate of inflation during this period.

In 1975 the atmosphere of crisis lifted. Inflation was held to 10%, the yen-dollar rate settled in the 160s, the current-account deficit was zero, GNP held steady in real terms, and oil imports fell slightly.

Nevertheless, recovery was slow. Industrial production did not return to 1973 levels until mid-1976. Unemployment continued to rise. And as happened in the past, slow domestic growth inspired an increase in exports as manufacturers attempted to maintain production levels. In 1976 Japan again had a current-account surplus of \$3.7 billion; this rose to \$4.7 billion in 1977.

Surplus in Perspective

The present period of current-account surplus, as just noted, is not the first which the Japanese have experienced. Japan entered a period of sustained trade surpluses in 1965 and current-account surpluses in 1968, as well as 1971. It should be instructive to look at the causes of the surplus trend and the policies the Japanese Government developed then to adjust to the surplus before we look at the present situation.

In 1961 Japan had a current-account deficit of almost \$1 billion. By 1971 it had a surplus of \$5.8 billion. During this 10-year period, Japan's exports increased from \$4.1 billion to \$26 billion, while imports increased from \$4.7 billion to \$15.8 billion. A recent study analyzed the causes of these increases.

Four factors, not including the constant of the undervalued yen, were principally responsible for the \$19.5 billion increase in Japanese merchandise exports during 1961–71.

Growth in world GNP and in world trade accounted for \$9 billion (44%) of the increase.

Japanese export prices rising more slowly than those of other industrialized countries accounted for \$2.1 billion (12.4%) of the increase.

Shifts in Japan's comparative advantage and development of new export products accounted for \$6.8 billion (35%) of the increase.

Benefits from lower tariffs (following implementation of the Kennedy Round cuts) accounted for \$1.3 billion (6.2%) of the total increase.

On the import side, four similar factors explain most of the increase in merchandise imports from \$4.7 bil-

lion in 1961 to \$15.8 billion in 1971.

- Growth in Japanese GNP (consumption, investment, etc.) accounted for \$9.0 billion (81.1%).

- Changes in import prices accounted for \$1 billion (9%).

- Shifts in the structure of Japanese manufacturing accounted for \$0.8 billion (7.2%).

- Japanese commercial policy (reduction of tariffs, etc.) accounted for \$0.3 billion (2.7%).

Simple lessons can be learned from these facts. First, Japanese growth is by far the most important determinant of its import levels. Second, growth abroad is the most significant factor in increased Japanese exports. Third, product innovation is a major feature of Japanese export expansion.

Japan's surplus remained large in 1971. In June of that year, the Japanese Government announced its eight point plan to avoid yen revaluation. The plan included the following measures:

- 1) Reduction of quantitative import restraints;
- 2) Promotion of capital exports;
- 3) Tariff cuts;
- 4) Increase of government expenditures;
- 5) Creation and enlargement of a generalized system of preferences to promote imports of manufactures from less developed countries;
- 6) Reduction of nontariff barriers;
- 7) Promotion of foreign aid; and
- 8) Arrangements for orderly marketing of exports.

In addition to product-specific measures to stimulate imports and restrain exports, relaxation of restrictions on capital outflows resulted in an increase in net long-term capital outflows from \$155 million in 1969 to \$4.5 billion in 1972.

These policies were not successful at curbing the pressure for yen revaluation. The Japanese revalued the yen by 16.88% against the dollar as part of the Smithsonian Agreement on December 18, 1971, and agreed to let the yen float in early 1973. These policy measures contributed to elimination of the surplus in 1973, and the oil-price increase brought about a \$4.7 billion deficit in 1974.

Japan subsequently returned to a current-account surplus of \$3.7 billion in 1976 and \$11 billion in 1977. This dramatic rise had several causes.

- Japanese firms cut their prices on exports, maintaining or improving their competitive positions overseas (export prices fell in yen in 1975,

rose in 1976, and then dropped sharply in 1977 returning to 1975 levels).

- Energy and raw-material conservation helped slow imports and made production more efficient (Japanese oil imports have been nearly constant in volume since 1974).

- Growth in Japan's export markets, especially in the United States, increased demand for Japanese goods.

In the past, when the Japanese surplus provoked international tension (as in 1969, 1971, and 1972), the Japanese tended to limit their response solely to the field of foreign economic policy. For example, the 1971 plan to avoid yen revaluation included no measures, other than a small increase in government expenditure, that were directed at changing the structure of Japan's internal economy.

Now, however, it appears that the Japanese leadership has come to recognize that the Japanese surplus is to a large degree—and for a number of reasons pointed to earlier—a product of the structure of the Japanese economy. The leadership also understands that the surplus is a problem which seriously affects other nations and the international economic system because it adds to the burden on other oil-importing countries which already must finance the surplus of the members of the Organization of Petroleum Exporting Countries. And Japan has seen that its surplus has important repercussions for currency markets.

Because the problems, as noted above, are largely structural, the Japanese Government has few tools at its command to create a rapid turnaround in the situation. Japan is not, as some would suggest, a planned economy where directions can be dramatically altered by government fiat.

What Can Reasonably Be Done?

To understand the genuine policy dilemma which the Japanese Government faces, one has to understand the conflicting effects of yen appreciation. The immediate effect of yen appreciation is to increase Japan's trade surplus. This is so because trade volumes are initially affected very little by the change in exchange values. Imports into Japan cost less, but it takes time to increase their volume. Exports from Japan cost more, but it takes time before orders and shipments fall off. Until trade volumes are substantially affected, the statistical result is a larger trade surplus

after than before yen appreciation. Moreover, the increase in the trade surplus is larger if the trade values are expressed in dollars than if they are expressed in yen.

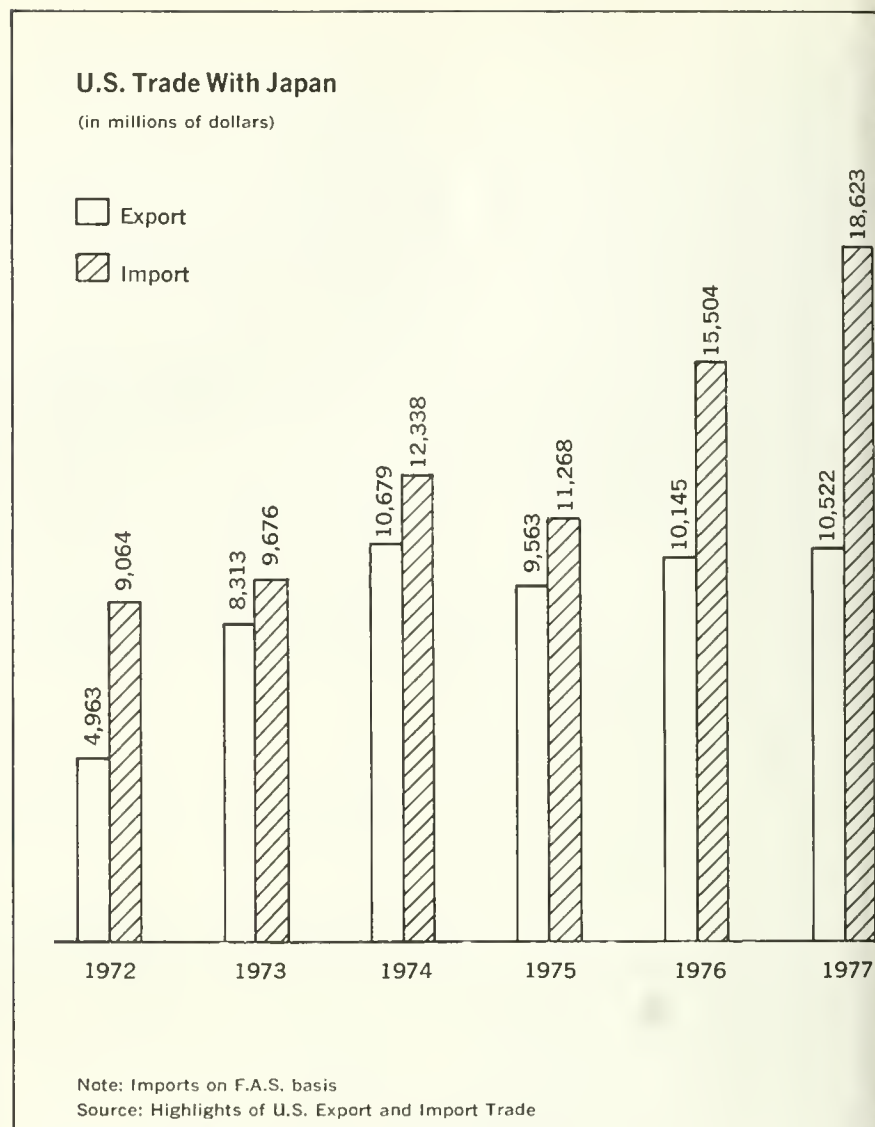
Over time, yen appreciation will make imports into Japan more attractive and will make Japanese exports more expensive on world markets. This should work to increase import volumes and reduce export volumes. But the full effect of any given appreciation of the yen may take up to 2 years to fully work itself out.

Another factor contributing to the delay is the effect of yen appreciation on profits and investment. As noted above, exports are only about 14% of Japanese GNP. But they account for roughly one-third of sales in the manufacturing sector and for over one-half in certain industries. Manufacturing firms in Japan have high fixed costs. They are highly leveraged, operating with 70-80% debt capital. And as a result of Japanese "lifetime employment" policies, wage bills are relatively inflexible. Although an increase in the yen's value can help a firm by lowering the yen cost of raw materials and energy, it can also cause a harmful, or even fatal, drop in cash flow by squeezing the profits of those who must shave prices in order to export or compete with imports.

This situation has provoked a major shakeout in Japanese industry. Business failures have climbed steadily since the oil crisis—from 14,000 in 1974 to almost 19,000 in 1977, an historically high level. Employment in manufacturing has fallen 9% since 1973. Reductions in exports would accelerate these trends.

On the import side, the main determinant of demand is domestic growth. Because 80% of Japanese imports are raw materials and semimanufactures, imports respond more dramatically to changes in domestic income than to changes in price. The appreciation of the yen lowers the price of imports, but it also inhibits domestic growth by restraining business profits and investment in internationally tradable goods.

As yen appreciation begins to take hold in the export sector, businesses experiencing lower sales and profits will trim investment and inventory accumulation. Industrial production, employment, and personal income slip, and thus GNP growth and import demand are reduced. And because of the nature of the Japanese distribution system, price reductions on imports



may not be passed through to consumers.

The net effect of the sharp appreciation of the yen on import demand has been positive, but it is not so great as the swing in the value of the yen would initially lead one to expect.

Under these circumstances, it is clear that strong domestic demand, to draw in imports and to ease the pressure on manufacturers to export, is the most effective remedy in the short term to reduce Japan's current-account surplus. In the longer term, elimination of the Japanese current-account surplus will also require structural changes in the Japanese economy. Some of these changes involve trade policy—including elimination of barriers to import competition in the Japanese market, especially for manufactured goods. More importantly, Japanese firms should see

it in their interest to participate more fully in trade in intermediate goods which in turn will increase the share of manufactured components in Japanese imports. And, of course, firms in other countries wishing to export to Japan must make a determined effort to identify and take advantage of export opportunities.

Until all of this is done, Japan cannot contribute to the adjustment process and to global economic health by significantly increasing its aid to poorer countries, and it has pledged to move in this direction.

What Can Be Expected?

The Japanese current-account surplus will not quickly disappear. The conditions for its elimination include:

- Sustained strong growth

domestic demand in the Japanese economy;
 improvement in the competitive opportunities for imports in the Japanese market and a willingness on the part of exporters to exploit those opportunities;

Reduction in the level of protection afforded to Japanese agriculture;

A shift in the structure of Japanese manufacturing toward use of a higher percentage of imported inputs at various stages in the production process.

The present situation is unstable. Depreciation of the yen works to encourage imports and slow exports but not as slowly as desired and with harmful effects on some sectors of the Japanese economy. The Japanese surplus creates pressures for protection in other countries; if governments succumb to these pressures, it will feed inflation, weakening

their currencies and hindering prospects for growth and structural change in Japan. Our present course, which relies on positive Japanese action rather than import restrictions and which looks for structural changes rather than a quick fix, is the correct one.

Following intensive consultations between Japanese and U.S. Government officials in the last quarter of 1977, the Japanese Minister for External Economic Affairs, Mr. Nobuhiko Ushiba and Ambassador Strauss [Special Representative for Trade Negotiations Robert S. Strauss] announced policies designed to reduce the surplus substantially during 1978.

In addition to product-specific measures dealing with certain products such as beef, citrus, and forest products, the Japanese Government reiterated its real growth target of 7% for Japan fiscal year 1978; announced that domestic economic growth, yen appreciation, and efforts to improve

the access of foreign goods to the Japanese domestic market would substantially reduce Japan's current-account surplus in 1978; and stated that additional steps to reduce it further would be taken in 1979 with the ultimate goal being equilibrium in the current account.

We recognize the difficulties that the Japanese Government faces in trying to achieve that goal, but we also recognize the importance of its making every effort to do so.

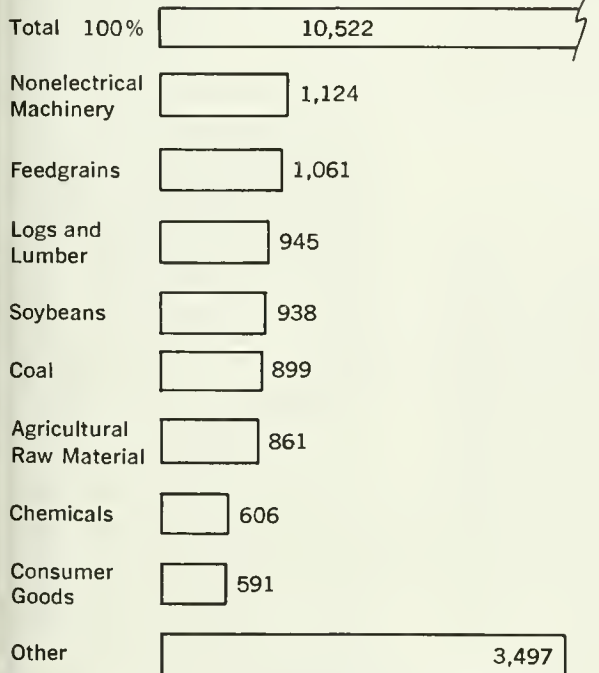
In our talks with the Government of Japan, we have tried to maintain a spirit of cooperation. Our economies are too closely linked for either side to benefit from a confrontation. We are pleased that the Japanese Government has recognized that the growth of its domestic economy is a matter of international interest and concern.

In a broader perspective, we and Japan share an interest in progress and cooperation in the Pacific area.

Major Products in U.S.-Japan Trade (1977)

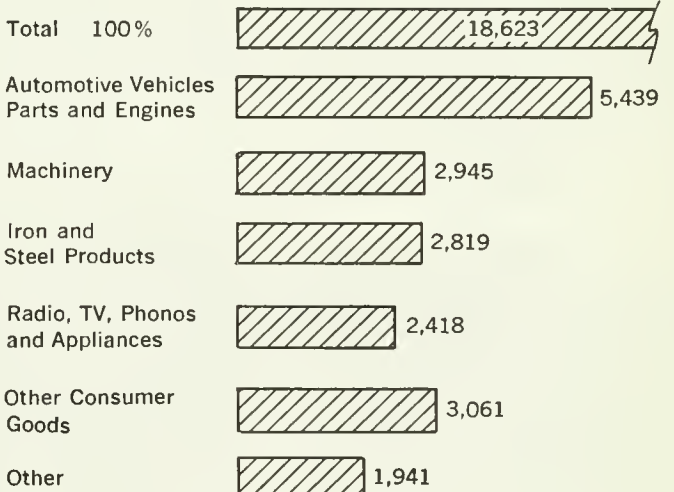
(in millions of dollars and percent)

U.S. Exports



percent 0 5 10 15 20 25 30 35

U.S. Imports



percent 0 5 10 15 20 25 30 35

Note: Imports on F.A.S. basis

Source: Highlights of U.S. Export and Import Trade

THE PRESIDENT: News

Conference of April 25 (Excerpts)

Q. Where do you stand now on the possibility of imposing, by Executive order or administrative action, oil import fees, and how soon might you act? I understand a couple of your advisers are suggesting a May 1 deadline.

A. No one has suggested a deadline that early. As a matter of fact, we have just finished the fourth major element of a five-part comprehensive fuel or energy program with natural gas deregulation. And now this is being recommended to the complete conference committee.

The next step is the crude oil equalization tax, which will be addressed by the Finance Committee in the Senate and the Ways and Means Committee in the House—representatives of them in a conference committee. I've talked to the chairmen of both those committees about the crude oil equalization tax, the fifth element of our major proposals.

It's too early, I think, to consider administrative action. I still hope and expect that the Congress will act and will complete the fifth element of our energy plan and present the entire

package as it should be to the Congress in one body.

Q. President Brezhnev has offered to not build the neutron bomb if you agree or the United States agrees to do likewise. Is that the word you're looking for to halt the program?

A. No. The Soviets know and President Brezhnev knows that the neutron weapon is designed to be used against massive and perhaps overwhelming tank forces in the Western and Eastern European area.

The Soviets, over a period of years, have greatly built up their tank forces and others, stronger than have the NATO allies. The neutron weapons are designed to equalize that inequality, along with many other steps that our country is now taking.

The Soviets have no use for a neutron weapon, so the offer by Brezhnev to refrain from building the neutron weapons has no significance in the European theater, and he knows this.

We are strengthening NATO in other ways. Ourselves, our NATO allies, will meet here in Washington the last of May with a recommitment, which is already well in progress, for a long-range strengthening of NATO in all its aspects.

The interdependence of the Pacific nations has not been as clearly recognized as, for instance, that which exists among the nations of Europe. Yet, as we have seen, trade has boomed of late without benefit of a common market or free-trade area. In part this is because the economies of the region are largely complementary, in part because of the drop in the cost of shipping, and in part because these countries have provided a favorable climate for investment and export-oriented production.

These nations can benefit from closer cooperation in trade, commodities, food and agriculture, energy, investment, and development assistance. More intensive consultation among these nations—particularly the OECD countries of the area and the Association of South East Asian Nations—appears to be a logical outgrowth of these relationships.

Beyond this we and Japan collaborate closely in the OECD, the economic summit framework, financial fora, and various North-South discussions to deal with multilateral issues of common concern. As vital cogs in the world economy, the United States and Japan together play an indispensable role in the orderly evolution of the world economy. We benefit from our economic relationship far more than we are harmed by occasional difficulties. □

Statement before the Subcommittee on International Economic Policy and Trade of the House Committee on International Relations on Apr. 4, 1978. The complete transcript of the hearings will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Mr. Hormats is Deputy Assistant Secretary for Economic and Business Affairs.

But this statement by Brezhnev concerning the neutron weapon has significance at all.

Q. Are you going to heed the of the congressional leadership your own party and delay the for submission of the package sale warplanes to the Congress or bring it up in any way?

A. I've not been asked by the leadership in the Congress to delay. I had one Senator who came to see about holding off on this proposal. Secretary Vance and I have been in close communication, both with another and with leaders in the Congress, for a number of weeks concerning the arms sales package that will be presented to the Congress very soon. This package will be presented in individual component parts to the Congress. It's the only legal way to do it.

The Congress will act on the major sales proposals individually: Israel, to Egypt, and to Saudi Arabia. Each one is important. Each one completes a commitment that has been made by either me, or, even in the case of the Saudis and Israel, predecessors for these sales.

I look upon them as a package, if the Congress should accept a proposal and reject another, then my intent is to withdraw the sales proposal altogether. But the Congress will not receive act on these proposals as a package. They have to act, according to law, on individual items.

These proposals are in the national interest. I think it's important to the country to meet our commitments. One that's perhaps the most controversial is the sale of F-15's to the Saudis. This was a promise that was made to the Saudi Arabians in September of 1975, to let them have a choice of F-16's or F-15's. They want these weapons for defensive purposes.

I recommitted this nation to provide these planes both last year and this year. And my deep belief is that since in the Middle East our present consideration is the long-range and permanent security and peace for the people of Israel, that we should treat the moderate Arabs with fairness and with friendship and to strengthen their commitment to us in return for the best interests of our own country and of Israel.

We are negotiating or discussing these matters with the Congress. There will be no delay of the sales proposal beyond the point where it can be completed by the time the Congress goes into recess—maybe 2 or 3 days no longer than that.

Do you think it proper or do you think it right for the foreign minister of another government to interfere in the legislative processes of his government? I'm talking particularly about your Middle East arms sales package here, legislation which we said is in the best interest of the United States. Do you think it's right?

I have made my decision about arms sales package after very careful consideration, a close study of precedents and opinions expressed by predecessors in the White House, careful consultation with the State Department and our Defense Department, military leaders, and I made my recommendation to the Congress—I make it shortly—on what I conclude to be in the best interests of our nation with a well-balanced and friendly attitude toward our allies and friends in the Middle East.

In each one of these instances, the arms sales proposals were made as a result of request by the governments involved. And I think that's the basis on which the decision should be made, not by making the request to the Congress, but by Congress considering my recommendation for approval of the sales on the basis of the interests of our country as judged by me and the Congress.

Just to follow up on the Middle East thing, I would like to pursue it a little bit more maybe from a slightly different angle. The Israeli Foreign Minister, Mr. Dayan, has suggested that Israel might be willing to give up its own fighter planes in your package if the sales were shipped to Saudi Arabia and Egypt.

Now, in the light of your own pronounced interest in cutting back on foreign arms sales, would you consider withdrawing the entire package to prevent a new escalation of arms race in the Middle East?

No, I would not. As I said earlier, the process through which we make arms—and this sales proposal would be completed 5 years in the future by, I think the last deliveries would be 1983—is initiated by a request from governments, foreign governments, that we permit the sale of arms to them. As I said earlier, we committed ourselves to help Saudi Arabia with arms sales to protect themselves in September of 1975. At the same time, approximately, in the fall of 1975, our government committed to help Israel with their proposal by making arms sales avail-

able to them. Obviously, if any nation withdrew its request for arms sales, that would change the entire procedure.

I have never heard of Foreign Minister Dayan's statement that they did not need the weapons or would withdraw their request for weapons until today. Mr. Dayan is on the way to our country. He will be meeting shortly with the Secretary of State and others, and I think only after very close consultations with them can we determine whether or not Israel desires to go ahead with the arms sales commitment that I've made to them.

But I do not intend to withdraw the arms sales proposals after they are submitted to the Congress, and I do not intend to delay.

Q. If Mr. Dayan did in fact tell you that Israel would withdraw its request, would you then be willing to pull back the whole package?

A. I can't imagine that happening, and I would rather not answer a hypothetical question of that kind.

Q. You mentioned that Mr. Dayan is coming. I just wonder, sir, do you have any reason at all to feel optimistic that the negotiations between Israel and Egypt can somehow be brought off dead center? I know Mr. Antherton's [Alfred L. Atherton, Jr., Ambassador at Large with special responsibility for Middle East peace negotiations] been in Cairo, and you've had consultations. What is the outlook now?

A. Yes, I have reason to be optimistic, but I can't predict success any time soon. This has been going on for 30 years.

I think compared to a year ago, for instance, remarkable progress has been made. After the visit of President Sadat to Jerusalem, there was a remarkable sense of excessive hope or euphoria that swept the world, that peace was imminent. Since then, I've met extensively with President Sadat and with Prime Minister Begin and also with the foreign ministers of the two countries involved. And there's still hope that we can move toward a peaceful settlement.

I think if there were not hope, that Foreign Minister Dayan would not be coming to Washington to meet with our own officials to explore further avenues for progress.

As you know, since Prime Minister Begin was here, Ezer Weizman, who is the Defense Minister of Israel, has been to Egypt twice to meet with President Sadat. So, discussions

are going on and explorations are continuing.

And I am firmly convinced that both the Israelis and the Egyptians want peace. They both are concerned about the terms of peace. After years of hatred and even active combat, there's still an element of distrust about the future intentions of each other.

But I am hopeful that we can continue to make progress. My commitment is deep and irreversible. As long as I'm in the White House as President, I will continue to pursue, without any slacking of my interests or commitment, the avenue toward peace.

And I anticipate that now and in the future there will be temporary periods of discouragement and withdrawal of the negotiating parties. So, I think every evidence that I have both publicly and privately known is that both sides want peace and the progress toward peace is steady.

Q. Your spokesmen have said that there will be written assurances from Saudi Arabia and Egypt that they will not use the warplanes against Israel in any future conflict. And further, various Administration spokesmen have pointed out that the Saudi Arabian Government will be dependent on the United States for technical support for these planes, and this support could always be cut off in the event that a future conflict would start and that the Saudis desired to use the weapons against Israel. Is it your understanding that both types of assurances will be in effect?

A. We would not sell the planes to the Saudi Arabians if we thought that the desire was to use them against Israel. I'm completely convinced that the Saudis want their airplanes to be used to protect their own country.

The Saudis have informed officials in our government that they do not desire to deploy them at Tabuk, which is the airfield nearest to Israel, and I know for a fact that the configuration of the weapons on the F-15 that the Saudis have offered is primarily a defensive configuration. And for those reasons I feel sure that the problems that you described are adequately addressed in the proposals that I've made to the Congress and in the statements that the Saudis have already made.

THE SECRETARY:

Foreign Assistance and U.S. Policy

Today I want to discuss with you a subject about which I care deeply because of its importance to our nation. I speak of foreign assistance.

Over the years the League of Women Voters has endeavored to explain and support our foreign assistance programs. You have done this as an essential part of your nonpartisan program of public education. Your interest in and knowledge of foreign assistance has been a key element in making people aware of what their government is trying to achieve with these programs.

The United States has a profound stake in its relationships with the nations and peoples in developing countries. Our response to their problems, needs, and aspirations tests not only the quality of our leadership in the world but our commitment to economic and social justice.

Let me begin our discussion by posing three questions. First, why do we have foreign aid programs? Second, what are these programs designed to accomplish? Third, do they work?

During the past 15 months as the Carter Administration fashioned aid budgets, reorganized aid programs, and discussed aid issues with Congress, we have thought with great care about these three questions. Today, in discussing our conclusions, I want to return to the basic elements of our aid programs.

Why Foreign Aid

Our foreign policy flows from what we are as a people—our history, our culture, our values, and our beliefs. One reason this nation has a foreign aid program is that we believe we have a humanitarian and moral obligation to help alleviate poverty and promote more equitable economic growth in the developing world.

We cannot be indifferent when half a billion people are hungry and malnourished, when 700 million adults are illiterate, and when one and a half billion people do not have minimal health care. As free people who have achieved one of the highest standards of living in the world, we cannot fail to respond to such staggering statistics and the individual lives they encompass. We can be proud that we are a people who believe in the development of human potential.

The answer to the question of why we have foreign aid programs also goes beyond our system of values and our concern for the less fortunate. Foreign aid is clearly in our national economic and political interest.

The success or failure of developing countries to grow more food, develop new energy supplies, sell their raw materials and products, curb their

... when we are discussing aid levels ... we are talking about whether or not we can fund practical projects that make a difference to people in need.

birthrates, and defend themselves against aggression will matter to Americans.

Our economic health and our security are more closely tied today than ever before to the economic well-being and security of the developing world. Progress there means more jobs and more prosperity for the United States.

- The non-oil-producing developing countries are a major market for American goods, taking a quarter of our total exports last year. About the same share of our total exports goes to Europe and the Communist countries combined.

- Products from less developed countries—including raw materials such as tin, copper, bauxite, and lead—accounted for nearly a quarter of our total imports last year.

- Our nation gained more than \$7 billion from our direct private investment in the developing world in 1975. And in 1976 developing countries absorbed nearly \$11 billion of our direct foreign investment.

- In the export of our agricultural abundance last year, developing countries purchased half of our exports of cotton, 65% of our wheat, and nearly 70% of our rice.

- Our economy benefits substantially as aid dollars are spent here to buy commodities and services. For example, for every dollar we have paid into such organizations as the

World Bank and the regional development banks for Latin America, Asia, and Africa, about \$2 has been spent in the U.S. economy.

The economic growth of the developing world is taking place primarily as a result of massive efforts by the leaders and peoples of the developing nations. For many, the critical international factors in growth and development are policies toward trade, investment, commodities, and technology. Economic aid, as well as that provided by other developed nations, also makes a crucial contribution to their well-being. For some countries—particularly the low-income nations—it is the principal source of foreign exchange and technical assistance. But for many others it serves as an essential complement to other components of their development strategy.

In addition to America's economic involvement in the developing world, our political interests are strongly engaged as well. Developing countries are often key participants in the quest for peace. Regional stability, peace in the Middle East, southern Africa, and elsewhere cannot be achieved without the cooperation of developing nations. Achieving progress on the global issues which directly affect peace—arms restraint and nonproliferation—depends in large measure on strengthening political ties between the industrialized and developing worlds.

Our ties to developing countries are essential in many other areas which affect our national security: in deploying our armed forces and in maintaining access to straits, ports, and aviation facilities.

But the peace and stability we seek in the world cannot be obtained solely through the maintenance of a strong defense in concert with others. Social unrest which breeds conflict can best be prevented if economic growth and an equitable distribution of resources are realized. As Pope John XXIII so eloquently stated: "In a world of constant want there is no peace . . ."

Foreign Assistance Programs

In view of the stakes involved, foreign aid goals must be matched by

performance. The Carter Administration is asking the Congress to authorize and appropriate \$8.4 billion for our economic, food, security assistance programs, and contributions to the international financial institutions this fiscal year. About 16% of this sum represents government guarantees and will not result in actual spending. We are requesting these sums because we believe that foreign aid can and does work. We believe it can have a direct impact on economic growth and the maintenance of peace.

Let me give you a summary of what we are trying to do.

First, in the area of bilateral economic assistance, we are trying to determine the most effective way to channel this aid to stimulate economic growth and alleviate poverty. In doing so we are implementing a strategy which targets our resources directly on the needs of the poor. Under the "basic human needs" approach, this development strategy seeks to help people meet such basic needs as nutrition, shelter, education, and health care. It is not an international welfare program. It is, instead, an approach to development which gives the poor a chance to improve their standard of living by their own efforts.

Farmers need good quality seed if they are going to escape subsistence agriculture and grow enough food for their families and to sell at the market as well. Our aid program in Tanzania, for instance, is helping that government establish a seed multiplication project to provide improved seed for the main crops grown there. The impact on the lives of Tanzanian farmers should be large.

In vast sections of West Africa, people cannot live in potentially fertile agricultural areas because of a terrible disease—river blindness. We are helping to finance efforts to suppress this affliction. Some success has been achieved. Small farmers are already beginning to resettle in areas which had been virtually abandoned.

Education is critical to human development. In numerous poor countries, our aid goes to training people in rural and urban areas in basic skills which permit them to earn a better living. Education takes place in many ways besides the schoolroom. It can be carried by low powered local radio programs, such as one we fund in Guatemala, or by direct broadcast satellite TV, as in an experiment we tested in India.

Second, the programs of the World

Bank and the regional development banks through which we channel a significant amount of our foreign aid range from large, capital intensive programs, such as dams and roads, to smaller scale programs designed to directly improve the lives of the poor. These institutions can mobilize and coordinate large amounts of capital for development. And they can build consensus between aid donors and recipients on development goals. In performing these roles, they well serve U.S. interests. The work of these institutions is varied.

- In Buenaventura, Colombia—one of the poorest cities in the hemisphere—the Inter-American Development Bank is trying to relocate slum dwellers and provide the city with safe drinking water to reduce disease.

- In the West African country of Benin, the African Development Fund is improving rural health services by constructing dispensaries in remote areas and training people to run them.

- In Burma, an Asian Development Bank loan will increase fish production for domestic consumption, thus raising the low protein intake of the population.

about whether or not we can fund practical projects that make a difference to people in need.

There is another important aspect of our foreign aid program which I would like to mention very briefly—our security assistance programs.

These programs have three important objectives. First, they are designed to assist our friends and allies to provide for their legitimate defense needs. Second, these programs support our strategic and political objectives of reducing tensions and promoting stability in areas of potential confrontation and conflict. Third, they provide economic assistance to countries which are experiencing political and economic stresses and where U.S. security interests are involved. The vast majority of our security assistance aid goes to support our peace efforts in the Middle East and in southern Africa. In providing assistance to such nations, we help them meet the economic strains imposed by tensions in their regions.

Does Foreign Aid Work?

Do all these programs work?

There is a popular myth that foreign assistance often does not pro-

... we have approved aid programs when they would directly benefit the poor since we recognize that people have economic as well as political rights.

Third, we support the development programs of the United Nations, which finance technical assistance to poor countries and provide direct humanitarian assistance to children, refugees, and other groups in need of particular relief.

- In India, the U.N. Children's Fund is working to restore and improve potable water resources in the areas hardest hit by the November 1977 cyclone and tidal wave.

- In Central America, experts from the U.N. Development Program are working in four countries to develop energy from underground volcanic steam.

I could go on and on, citing projects in various countries aimed at specific problems and particular groups. The point is that when we are discussing aid levels, we must remember we are not talking about abstract statistics: we are talking

duce results. The record shows otherwise.

It is impossible to separate foreign assistance from other factors that produce development. But foreign assistance has been central in some measure to the following achievements.

- Between 1950 and 1975 the developing countries grew more rapidly than either they or the developed countries had grown in any time period in the past.

- Substantial increases in life expectancy are taking place in many developing countries.

- The number of children in primary schools in the developing world has trebled since 1950, and the number of secondary students has increased sixfold during the same period.

- The battle against communicable disease has produced significant results. Smallpox is now confined to a

small area of Africa, and the numbers of people suffering from Malaria has been reduced by 80-90% in the past three decades.

- The yields of rice and wheat in Asia are estimated to be substantially higher today because of the introduction of high-yielding varieties. More than a billion dollars worth of grain each year is ascribed to the new seed.

Beyond these successes, the record reveals countless instances in which projects funded by foreign assistance have improved the lives of people in fundamental ways.

- When a village has clean water, its children are no longer made sick from the water they drink.

- When couples have access to family planning services, there are fewer mouths to feed.

- When a clinic is constructed, modern medicine enters lives for the first time.

- And when a job program begins, the unemployed can find work and have incomes.

Progress has been made. But more has to be done. Over the last 15 months the Carter Administration has made a substantial effort to further improve the management and effectiveness of all of our programs.

Let me report to you on some of the steps we have already taken or will soon implement to achieve this objective.

One of the key problems with foreign assistance over the years has been a lack of adequate coordination

The Carter Administration announced its support of the basic purposes of this bill. Although the Congress will probably not consider this legislation in the current session, the Administration is moving to put into place a new interagency coordinating mechanism which we believe will go a long way toward having the executive branch better coordinate its diverse development efforts.

The Agency for International Development has been reorganized under the leadership of Governor John Gilligan. More authority is being delegated to our AID missions abroad. Tighter controls are now imposed on financial and operational procedures. In addition, AID has eliminated some complex and cumbersome procedures which have slowed our ability to design and implement projects.

The United States has encouraged the multilateral banks to better take into account the lessons of the past—both successes and failures. The Administration has also shared congressional concerns about high salary levels of bank employees. We want the banks to look especially hard at more effective ways to reach poor people directly, as well as to operate in the most cost effective ways.

In our security programs we have tightened management controls and have instituted an interagency committee to provide coordinated recommendations to me and the President on all aspects of our arms transfer and security assistance programs.

Finally, because we recognize that

improve the management and delivery of our foreign assistance programs, Accountability to the Congress and the public is an essential element of our approach.

Other Key Issues

There are several other important questions relating to our foreign assistance programs which I would like to discuss.

First, there is a growing belief that we are both giving more aid and at the same time losing control of where it goes. Let me put this in perspective.

Clearly, we are not shouldering a disproportionate burden of global flows. While in absolute terms the U.S. aid program is larger than that of any other nation, as a percent of GNP we rank in the bottom 25% of all non-Communist country donors.

Concerning control, we are very active in attempting to steer multilateral assistance in directions we think best for our nation and for global development. We have often been successful in encouraging the type of projects consistent with our development policies. We will be working closely with Congress to develop procedures which permit the United States to express its views about multilateral lending policies as effectively as possible. But in doing so, we must recognize the damage that would be done if the international character of these institutions were lost.

Second, our foreign assistance programs must be consistent with our determination to improve the conditions of political, economic, and civil rights worldwide. Over the past year we have reviewed all of our aid programs for their impact on human rights. In some cases we have reduced assistance to governments with consistent records of repression. We have also increased aid to others with good or improving human rights policies.

We face a dilemma when applying human rights considerations to foreign assistance. We do not want to support governments which consistently violate human rights. On the other hand, we do not wish to deny our assistance to poor people who happen to live under repressive regimes. We must resolve this dilemma on a case-by-case basis. In general, we have approved aid programs which they would directly benefit the people, since we recognize that people have economic as well as political rights.

Helping the children of Pakistan have adequate diets does not mean that we need neglect the children of Cincinnati, Boston, or Los Angeles. Helping the farmers of Mali grow more food does not mean we need to abandon the farmers of Texas, Illinois, or Colorado . . . Both foreign aid and adequate domestic expenditures are essential to the national interest.

between our bilateral programs and our activities in the international financial institutions. Responsibility for these various programs is spread throughout several Cabinet Departments and agencies.

Shortly before his death, Senator Hubert Humphrey introduced legislation which called for a sweeping reorganization of the government's foreign aid programs designed to meet these defects in coordination.

science and technology offer many opportunities for expanding the development process, President Carter has proposed the creation of a new U.S. foundation on technological collaboration. This foundation will support the application of our research to development problems. And it will improve the access of the developing countries to American science and technology.

We will continue to seek ways to

Third, there is the question of whether all countries should receive our aid. The President has decided that concessional assistance programs should focus primarily but not exclusively on the poorest countries. In the advanced developing countries, we do not want to substitute our own aid for the assistance those governments should be giving. On the other hand, we cannot be indifferent to the plight of people who are poor because they live in middle income countries and who need our aid. We are resolving this problem by insisting that our efforts to mount programs in middle income developing countries be matched by efforts of the poorest country.

Fourth, it is sometimes argued that we cannot afford to spend large amounts of money to help solve problems abroad when we have many pressing domestic needs. But I firmly believe that it would be a serious mistake to try to trade off international obligations for domestic priorities. Both need to be addressed. The health of our nation is increasingly dependent on the world economy. If we neglect international programs, we undermine the welfare of our society. As a nation we have a major concern with improving the lives of poor people. I do not believe there is a credible commitment if made only domestically. And as a percentage of the Federal budget for 1979, economic assistance is only 0.4%. Adding our security assistance programs does not increase this figure substantially.

We can afford to increase foreign aid expenditures at a reasonable rate, if we must. At the same time, we can afford to increase our domestic education budget, expand programs for the elderly, and fund other critical domestic programs as we are now doing. Helping the children of Pakistan eat adequate diets does not mean we need neglect the children of Cincinnati, Boston, or Los Angeles. Helping the farmers of Mali grow food does not mean we need to abandon the farmers of Texas, Illinois, or Colorado. And helping the people of the Middle East remain at peace does not mean that we cannot meet the needs of our cities. We do not have a choice. Both foreign aid and adequate domestic expenditures are essential to the national interest.

Senator Humphrey raised a fundamental issue about foreign aid. He said: "The question we must decide is whether or not the conditions of

social and economic injustice—poverty, illiteracy, and disease—are a real threat to our security. I think they are and they require the same commitment of policy, will, and resources as does our conventional national defense."

As someone charged with helping to protect the national security, I agree with Senator Humphrey's assessment of the role of foreign aid in the scheme of our national priorities. I agree with his approach to the tasks of alleviating poverty and working for peace.

He believed in harnessing the energy and creativity of the American people to solve problems which have plagued the world for centuries. I share his faith in our abilities. I share his optimism that we can do the job.

I ask that you help us inform the American people why foreign aid is essential to the nation's economic health, political interests, and preservation of its humanitarian tradition. □

Address before the national convention of the League of Women Voters in Cincinnati on May 1, 1978 (press release 195 of May 1).

Question-and-Answer Session Following Cincinnati Address

Q. Would you please give your assessment of the prospects for peace in the Middle East in light of the most recent meetings there?

A. You certainly started me off with the hardest of all questions. At the current point, the situation in the Middle East is, I would say, in a stalemate. That does not mean that it is impossible to make progress. I believe very deeply that it is possible to make progress. It is in the interests of each of the nations in the Middle East to see that this is done. It is in our national interests. It is in the interests of the world that a just and lasting peace be brought to the Middle East.

There are basically three fundamental issues involved. First, the need for a real peace, a true peace, in which we will have not only the end of a state of war but normal relations between the nations of all the countries of that region will be restored.

Secondly, it is necessary to solve the problem of withdrawal from territories occupied in the 1967 war, while at the same time protecting the security of the State of Israel.

Thirdly, it is essential that the Palestinian question be resolved in all of its aspects.

These are all very difficult problems. Their roots are deep. They have been problems which the countries of that region have been wrestling with for a long time. But I think some progress has been made. If one looks back a year ago, it wasn't even possible to conceive that people would start talking to each other about how to sit down together and solve these questions. Now, at least, we have some of the nations talking to each other.

Insofar as the United States is concerned, the United States has a deep interest in seeing this problem resolved. And we have and will continue to put this at the top of our agenda in terms of problems in the foreign policy field where we must try to help.

I think that the parties on both sides do have confidence and trust in the United States. I think we can act as a catalyst in bringing the parties together. Sometimes our role must be one of, in effect, carrying messages between the two. And other times, when the dialogue becomes stalemated, then I think it is incumbent upon us to come forward with our own suggestions and initiatives, to try and regain the momentum of the peace process.

That is the course we have followed during the last year and a few months. That is the course we will continue to follow in the year ahead, and I think that is the policy that the people in the area wish to follow.

Q. I know that there has been Federal assistance to the Vietnamese refugees in the past. Do you have more assistance financially coming to the boat people of this area?

A. Yes. This is one of the problems which cries out for help and for action. Recently, the President approved a major step on our part to increase the amount of help that we can give for the refugees in this area, and particularly the boat people. This is a program which will be funded over a period of 2 years. And I think by the leadership we will be able to give with the funding which we will be receiving that we will be able to help stimulate others to work with us to take care of this tremendous humanitarian problem.

It is a vastly difficult, complicated one. We are working with many other nations around the world, with the United Nations, and others. And it is a problem which will remain very important to us and which we are going to devote our full efforts to.

Q. There has been much in the news in regard to the exportation of nuclear technologies to the developing nations. In view of the fact that this has been declared Energy Conservation Week and because May 3d has been declared Sun Day, could you give us some insights into what is being exported from this country in terms of the decentralized systems of volume mass, solar technology, wind technology, and others, for the less developed countries?

A. Yes. We have cooperative agreements with a number of the developing countries where we are working together to share our technology and our know-how in the kinds of areas that you are talking about.

Some of those countries have a great deal to contribute to us, and we are learning from them. And, therefore, I feel it is through these kinds of cooperative efforts that we can make the most progress. Whether it be the use of wind, whether it be solar energy products which require greater funding capabilities—in that kind of a situation, we are working with the countries often which have resources to put into it, such as countries like Saudi Arabia and others who have both knowledge and funding to help on it. But with others, we have to be the ones who provide the basic funding and technology.

And this is an area in which I think we must increase our efforts, because it is essential that in the future we must find other forms of energy which will be able to take the place as our petroleum resources continue to dwindle. The nuclear resources with the problems that they present can never find or provide the total solution to the problem. So we must be looking at all of these other kinds of energy-producing resources if we are going to cope with the energy problems of the world.

Q. There have been several statements the past few days, and I was wondering whether the Carter Administration is going to withdraw their plans for planes to Israel if the U.S. Congress does not go along with the planes for Saudi Arabia and Egypt?

A. Let me try and answer this very clearly.

Under the law, we are required to

send up each one of the proposals—the proposals for aircraft to Israel, the proposals for transfer of aircraft to Egypt, and the proposals for the transfer of aircraft to Saudi Arabia—separately to the Congress. Each one of those will be examined in hearings separately by the Congress, and the Congress will vote separately on each one of them.

However, the President, in exercising his responsibility, must take into account the importance of each one of these specific proposals and the mutually reinforcing nature of these various proposals. Therefore, the ultimate decision to be made by the President can only be made after he has seen what the Congress does with respect to each of these various elements of the proposals which are being sent forward. I will be very frank in saying I believe each one of these to be essential.

We did not arrive lightly at the proposals which were sent forward. Each one of the countries has pressing needs. They came and sent to us what they consider to be their requirements. We examined each of these requirements to determine whether or not we believe they were justifiable from a military standpoint. We concluded that they were.

We also took a look to see very carefully whether or not, if we went forward with these proposals, it would upset the basic military balance in the Middle East. We concluded that it would not.

Finally, let me say that we have a deep and unshakable commitment to Israel to meet its security needs. We will carry out that commitment.

Secondly, with respect to Saudi Arabia, a commitment was made in 1975 to provide them with aircraft. We, in this Administration, reaffirmed that commitment. I think it is essential that we should go forward with it.

With respect to Egypt, which is one of the principal parties in the peace negotiations, they have needs, not because of the relationships between themselves and Israel but because of other military needs, because of the situations which exist on their western and southern borders.

I believe, as I said earlier, that these are all mutually reinforceable and that it would be a tragedy if the Congress did not vote affirmatively on each one of these proposals. I think it would be very harmful to our national interests.

Q. In referring directly to your speech, I was a little confused. On the one hand, we have the altruistic desire to help and the moral obligation bears that out, and on the other

hand you pointed out how much money we make off this.

Later on, you talked about forming. One of the big criticism something like AID has been the money is given or lent, as example, perhaps, for building procedures with the provision that perhaps the lumber be bought from the United States when there may be a local supply. Would you comment on that?

A. I think that there are two aspects to it. I think we do have a very strong and deep moral obligation to help the poor of the world. That is why programs are addressed to the need of the poor. On the other hand, in reality, it is a fact, that this is also a benefit to the United States. We ought to recognize it is a benefit.

Too often people criticize these programs because they will not accept the fact that it is morally right to do this.

Even if they reject that, they ought to think about the other side of it. It is also good for the United States, well, from the standpoint of the economy of the United States.

With respect to the kinds of strains which I think you were referring to, some of those restraints imposed by congressional statutes which require that the goods which are to be provided and the services are being provided have to be provided from the United States. These are not that one has to deal with. So it may seem to be contradictions.

I think these contradictions are really reconcilable. I think they are important facts that people ought to know when they are considering questions of foreign assistance and importance of foreign assistance to and to the people of the world.

Q. I happen to be the mother of a 17-year-old daughter. When she was born in 1961, there were approximately 3 billion people in the world. Last year, on her birthday in April, there were 4 billion people in the world. This year, there are about 4.3 billion people in the world. In 22 short years, they are estimating 7 billion people. What does our State Department think about this? How do we cope with this? [Laughter.]

A. Let me say the State Department does have something to say about it. [Laughter.]

There is no question but that the population problem is one of the most severe problems facing the world today, and one of the principal thrusts of the aid program has been in the population field.

Obviously this is a service that can be made available that cannot be denied and should not be forced on anyone. But it is one of the principal parts of the aid program and has been so for the last several years.

Q. If I heard you correctly, you said that \$8.5 billion will be requested for foreign aid. Was that in 1979?

A. That is in '79.

Q. Approximately, do you know what percentage of that will be available for foreign countries to purchase arms from the United States in that year?

A. As I recall it, the \$8.5 billion does not include the military assistance and that figure I do not have available to me. If you are talking about the mutual assistance programs, I believe it is somewhere around \$2 billion. That is my best estimate. But it would be over and above the kind of assistance that I was talking about.

Q. I would like to know what we can do as individuals or as a nation to help the holocaust in Cambodia?

A. I am afraid to say that I don't have a good answer to that. The situation there is, indeed, a tragic one. We have no contact at all with the Cambodians. We have tried to establish contact so as to find out at least what is going on there. We have been unable to do this.

Q. That knowledge we have, we have learned from others. I think that what we can do is to focus world attention on this situation and hope that the shift of world opinion may change the situation there. But in terms of what we actually can do other than working with others in the world bodies, such as the United Nations and other international fora, there is nothing practically that I can suggest that we can do.

Q. It seems that the League and the government had the same problem—a credibility gap—we concern equal rights and that it isn't going to harm our families; and so, as the government, that foreign assistance isn't all in vain.

Q. The government planning any specific programs to educate our people at the grassroots level that should continue this aid?

A. They certainly are, and I really don't think it when I said that I hoped that all will help in getting this information across to the people. I am going to speak out on this in various parts around the country. A

number of people in the State Department are going to for in cities and towns all across the country to talk about this and to answer questions. Without that we are simply not going to achieve our objective. And without getting the kind of support at the grassroots that we need, we are not going to get the kind of support that we have to have in the Congress. We are then going to fail in carrying out what I think are the fundamental obligations that we have.

Q. When John F. Kennedy was running for the Presidency, he said there were only 10 people working on disarmament in our government. He felt there should be 100. How many people today are working on disarmament in the government?

A. We have got well over 100. We have, I would say, several hundred people working on disarmament now. This is a subject on which I spend a great deal of my time, working together with people in the Arms Control and Disarmament Agency and with people within my own Department directly.

Q. As you know, the State Department gives policy guidance to the Arms Control and Disarmament Agency, and we are very fortunate to have Paul Warnke heading up that agency. I think he is doing a superb job, and we in the State Department are going to do all we can to work with him and give him the support that he needs.

Q. We are also getting support from people in the Defense Department. That may seem strange for some of you here, but there are many there who care deeply about arms control as well because, particularly in the strategic field, I think everybody realizes that a nuclear exchange can result only in a holocaust and be of benefit to no one.

Q. We have got to find ways to begin to not only cap but to reduce the arms spiral, and that is why we are putting so much emphasis on trying to make progress in achieving an agreement in the Strategic Arms Limitation Talks—the so-called SALT II talks—that are going on.

Q. It is my deep belief that we will reach an agreement with the Soviet Union. I don't want to try and give you any specific date. I don't think that we ought to negotiate against any fixed given time deadline. But I am convinced the SALT agreement which will be achieved will enhance or maintain our security and that of our allies. I believe it is very much in our national interests and that we should put all of our weight behind it.

Q. You have discussed the importance of population control in underdeveloped countries. What is your response to a television report last week that millions of foreign aid dollars were wasted by sending to many of those countries, against their specific requests to decrease the supply, more contraceptives than they can possibly distribute and use for the next few years? [Laughter.]

A. Let me say, first, I am not familiar with that report, but it could well be. [Laughter.]

Q. I am not trying to say in any way that what we do is perfect—that the aid programs are without fault.

Q. Obviously, we all make mistakes. [Laughter.] I think we are getting on top of some of these problems. [Laughter.] I better go to the next question. [Applause.]

Q. I traveled last year in Morocco, and I have a feeling that very often we are giving things away to people that are really not prepared to handle them yet, as happened on the previous question. [Laughter.] I was driving with a retired representative of our government from Rabat, and there were miles and miles of aqueducts along the way, and this man said: "Here are your American dollars. You have paid for all this clean water." And I saw two children getting pails of water, and I thought: "Well I will sleep tonight; they won't have some dreadful disease."

Q. Half a mile down, I saw two men voiding in the same trough of water. And I think perhaps we are giving people things in our big giveaway that they are not ready to accept or handle.

A. What we have tried to do is to get down to the more basic kind of things. The big projects we are trying to turn over in terms of what they call in the jargon the infrastructure kind of projects to the world institutions like the World Bank and the international financial institutions. And we are really trying to get down to things like helping on agriculture with simple kinds of tools, to help on rudimentary kinds of health care which can be helpful, to help in education, and the kind of things that we can handle and, I think, that they can handle too. This really is a focus of the programs these days. □

Remarks to the Press

Following Cincinnati Address

Q. [Inaudible].

A. We are exploring the various possibilities that it might be possible to get momentum going again in the peace talks. Both of us will be reflecting on the exchange of views and will be in touch with each other as we will with the Egyptians.

Q. You said in the Q and A on Friday that the talks in the Middle East are now at a stalemate.

A. They have been.

Q. Can you elaborate on that?

A. There has been a lack of conversation directly between the Egyptians and the Israelis for a period of weeks now, and as a result of that I think it is necessary to find some way to get the momentum going again so that we can get the talks off dead center. That is why we're in consultation with each other to see what we can do to move forward, and I'm hopeful that we can achieve that.

Q. Do you think that this is the time for the United States to step in to try and pry the talks?

A. Yes, I think that this is a time we can be helpful in prying the talks. That has been our feeling in the past. If the parties can make progress talking to each other, fine. That's the way one should. If our help is needed, we will give it a stimulus. And we're glad to do that.

Q. In your prepared remarks I noticed that you deleted reference to Governor Kelly.

A. I didn't delete reference to anything. I was just trying to save time because the thing was too long, and I thought they would go to sleep if I read the whole thing. You know I

stand by everything that is in the written text.

Q. How much of a strain on the Mideast situation has Mr. Begin's objections to the arms proposals been?

A. On the arms proposals, I don't know how to say it any clearer than I've said it on many occasions; that I believe that it is very much in the interests of the search for peace that all of these proposals be approved. I also believe that it is very important from the standpoint of engendering confidence in all of the three countries involved that we go forward and meet commitments which we have made to them. I think that it is possible, through these various proposals, to meet the basic military need of these countries and at the same time stimulate the peace process because I think people are going to be willing to take the risks that one has to take when you are negotiating peace if they feel secure that they can meet their problems, their security problems.

Q. You don't feel that is a contradiction—arms for peace?

A. No, I do not.

Q. Can you elaborate on that point?

A. Sure. There are certain minimum requirements that a country has to deal with in terms of their security. Now, if you can keep the basic balance in the region so that is not changed, if you can then stimulate that confidence which will give them the willingness to take an extra risk for peace, then I think clearly there is no contradiction but, in fact, a little reinforcement.

Q. Speaking of balance, in South

Yemen, I understand the Communists have been heavily supplying that country. Do you see the supplying of Saudi Arabia with the F-15 as a movement to balance or counterbalance the Soviet action? Or do you see it as trying to retain friendship? Or do you see it as trying to prevent a country which faces instabilities in the area from turning to other hostile suppliers of arms?

A. First of all, I think the threat that the Saudis fear is not a threat from Israel; their concerns are basically the dangers that they face from their Arab neighbors—to the north, especially Iraq; the concern that they have in the south. They had three border incursions from Saudi Arabia in the past. This is a matter of concern to them. They have a concern which is vast. It is the equivalent of the land area from the Atlantic to Mississippi. They have very few people to man their aircraft. Therefore, it is important that they have some kind of an aircraft system that gives them the defense capability which does not require vast numbers of people. And the F-15 is exactly that kind of airplane.

It is obviously a very important country because it is one of the leaders of the moderate group in the Middle East. And I think that it is in the interests and in the interests of the Middle East that we should help friends who are moderates in that. That is going to help in the peace process. If you look down the road, what kind of world would we all like to see at the end of 5-10 years from now? We would like to see a world of peace where Israel could be living within secure and recognized boundaries, where the other moderate nations again also would be living in peace, and secure. And I think that kind of steps that we are talking about here would lead us to that end—would lead the way.

Press release 195B of May 1, 1978.

Visit to Africa, the United Kingdom, and the U.S.S.R.

Secretary Vance visited Africa, the United Kingdom, and the U.S.S.R. from April 13-23. He and British Foreign Secretary David Owen were in Dar es Salaam, Tanzania (April 13-16), to meet with Robert Mugabe (Secretary General, Zimbabwe African National Union—ZANU) and Joshua Nkomo (President, Zimbabwe African People's Union—ZAPU). Secretary Vance met also with Tanzanian President Nyerere. The two Secretaries met with government officials in Pretoria, South Africa (April 16-17), and in Salisbury, Southern Rhodesia (April 17).

Secretary Vance then headed the U.S. delegation to the Central Treaty Organization (CENTO) ministerial meeting in London (April 18-19) and to Moscow (April 19-23).

Following are the texts of statements made on various occasions during the trip, the joint statement and communiqué issued in Dar es Salaam and Moscow, and Secretary Vance's press briefing at the White House on April 24.¹

JOINT STATEMENT, DAR ES SALAAM, APR. 15²

The Malta II conference between the Patriotic Front and the British and American Governments was held in Dar es Salaam on April 14-15, 1978. The parties expressed appreciation to President Nyerere and the Tanzanian Government for the kind hospitality.

The British and the United States delegation were led by Dr. David Owen, the British Foreign Secretary, and Mr. Cyrus Vance, the United States Secretary of State, while the Patriotic Front delegation was led by Presidents Robert Mugabe and Joshua Nkomo. General Prem Chand representing the Secretary General of the United Nations also attended.

Representatives of Angola, Botswana, Mozambique, Nigeria, Tanzania and Zambia were present as observers. The conference, whose purpose was to discuss military and related matters arising from the Anglo-American proposals, was held in an atmosphere of candour and seriousness.³

The United States and British Secretaries of State reaffirmed their support for the Anglo-American proposals. In the course of the discussions,

the leaders of the Patriotic Front put forward a number of proposals aimed at reaching a settlement within the principles of the Anglo-American proposals. For their part the U.S. and British Secretaries of State took note of these proposals they regarded as fundamental changes in the Anglo-American plan which would have to be negotiated. Progress was made and there was broad agreement in some important areas.

It was agreed that a further conference be held as soon as possible.

JOINT NEWS CONFERENCE, PRETORIA, APR. 16⁴

Secretary Vance: The two subjects which we discussed this evening with the Foreign Minister were Namibia and Rhodesia. I would like to say a few words about the first and then Dr. Owen will speak to the second.

We had a full discussion of the Namibian question. We pointed out the importance which we addressed to the resolution of this problem and to the finding of an international solution of the problem. We also stressed the fact that we believe that we must not only initiate the action but follow through and make sure that it has a successful conclusion. We are in it to stay, to see that it works out satisfactorily.

Mr. Botha raised a number of questions. We took note of those matters. We are but two of the Foreign Ministers in the five, and we must, of course, discuss those with our colleagues and we plan to do so.

Foreign Secretary Owen: On Rhodesia. I think that when I was first in South Africa last April, at that time we discussed both Rhodesia and Namibia, and I don't think that since that time in April I have been under any doubt that the South African Government does want an internationally acceptable solution, if it's possible, for both Namibia and for Rhodesia. I believe this is extremely important, and I think it's in the interests of everybody in southern Africa.

The problem we face now over Rhodesia is that we have made some progress but that we have still got a situation in which there is armed conflict. We have got a situation in which two of the nationalist leaders are not involved outside, and the armed conflict is continuing, and we feel that it is an extremely important responsibility for us to continue to work on the Anglo-American plan; to try and bring about a peaceful settlement.

We don't underestimate the difficulties, but all we ask everyone—and I think this particularly applies to South Africans, because it is in your interests to have, I think, a stable country on your borders. But we should try to continue the path of negotiations, and these are the issues we discussed with Foreign Minister Botha.

All we can ask is that people should encourage the process of negotiation and work toward a settlement that can

Secretary Vance in Dar es Salaam with Robert Mugabe (left), Secretary General of the Zimbabwe African National Union, and Zambian Foreign Minister Sitake Mwale (center).



be internationally acceptable in a free and fair election and a transfer to independence in 1978.

I know that some people say: "Well, what's the point of going on talking?" The point of going on talking is that if we allow the armed conflict to just continue, I think we could get into a very bitter struggle. If we cease to pursue the Anglo-American plan, I think that the people will give up talking about a negotiated peaceful settlement. They would then just fight it out, and with that there is a very severe risk of internationalizing the situation.

Other countries have been asked to come in in support, and we could find that southern Africa would be a center of conflict, as we've seen in other parts of Africa in recent months. So we believe very strongly that despite the obstacles, it is necessary for us to continue to try to bring all the sides together and bring them around a negotiating table and get them to reconcile their difficulties and have a negotiated settlement.

So we will work, over the coming weeks and months, for a conference of all the parties to try and resolve this issue, and we put these issues to Foreign Minister Botha, and he will decide his response. I gather he is talking to you later. I don't intend to anticipate this, but he understands the problem, and I hope that you understand what we are trying to achieve. It's not going to be easy.

Q. What was Mr. Botha's initial reaction to your request that he support or endorse the call for an all-parties conference in Rhodesia?

Foreign Secretary Owen: We're not asking him to come out and endorse all this, but I think that the South African Government has, in the past, seen the merit in trying to bring all the parties together, and I hope he'll see the merit in doing this at this present moment in time. It's up to him how he expresses it, how he uses his influence, and how he expresses it to the South African Government.

Q. Are you saying now that you are hoping that South Africa will use whatever influence it has in Salisbury to make sure that the internal people there are willing to continue talking?

Foreign Secretary Owen: I think that's a question up to them. It's not for me to tell them how to conduct their affairs. They are in touch with the situation, and they must decide it.

They've often made it clear that they will not interfere in the affairs of

Rhodesia. That's up to them how they use their influence or what they decide to do, but I do believe it's in South Africa's interests.

Q. To try and understand better—then is it correct you didn't suggest a particular course of action to South Africa today? Just generally, you restated really what you've always said: that you want them to use their influence, or is there some new twist to it that escapes us?

Foreign Secretary Owen: There's no new twist. We discussed these problems frankly and in considerable detail as we've been doing over quite some time. I mean, we came back, we discussed this in September. We've had further contact all through the last few months when we've been disagreeing on some other things. We still continue to work in a way keeping each other closely in touch.

Q. Have they not used their influence or have they not used it enough or are you suggesting a specific course of action that you can't discuss with us?

Foreign Secretary Owen: I have long taken the view that other governments don't usually like you to tell them how to conduct their own foreign policy.

Secretary Vance: I would endorse what Dr. Owen has said.

Q. What is it that the United States would particularly like to see South Africa do?

Secretary Vance: We would hope, all of us working together, that we find a solution to both the Namibian problem and the Rhodesian. As Dr. Owen pointed out in connection with the Rhodesian problem, we feel that a solution—an internationally approved and acceptable solution—of the Namibian problem would clearly be in the interests of South Africa as well as the people of the region and the world in general.

Q. Could I follow that up please by asking if the questions that were raised by Foreign Minister Botha represented any fundamental new issues raised in the Namibian discussions?

Secretary Vance: They raised issues which are important issues as seen by South Africa, and they relate to matters which are covered in the proposal of the five.

Q. Would they conceivably have required some renegotiation of the proposals?

Secretary Vance: I think that all should go into at this point, because I said, we must merely take them take note of them now and take them back to our colleagues, that they are important issues.

Q. Would it be fair to paraphrase your impression of the South Africa answer on that that their answer is inconclusive?

Secretary Vance: I think that they ought to speak for themselves on that. I know that Foreign Minister Botha is going to be here in a little while, speak to you, and I really don't think that I ought to speak for him.

Q. But you are not able to do away with any firm indication whether they have not accepted the proposal put forward by the five Western powers?

Secretary Vance: It is my impression that they have not accepted the proposals of the five Western powers.

Q. On Namibia, you have seen both Mr. Botha and Mr. Nujoma [Sam Nujoma, President of the South West Africa People's Organization—SWAPO] in the same 12 hours. Is it your sense that they are not coming closer together on the basis of the revised Western proposals?

Secretary Vance: I think real again, that they have to speak for themselves on this thing as to how they stand with respect to our proposals. It is not for me to speak for them and I'm sure as far as Mr. Botha is concerned that he will speak to the issue as far as Namibia is concerned and I would be surprised if Mr. Nujoma didn't express his views.

Q. What would happen if the Security Council or the General Assembly of the United Nations reject the proposals, doesn't approach them? What will happen then?

Secretary Vance: That's an assumption that I certainly am not prepared to accept. They have not been discussed by the Security Council. They will be discussed in the future by the Security Council, and I hope that the Security Council will endorse them.

Q. I sense that neither you nor Dr. Owen want to address yourselves to the question of the degree of pressure that you asked South Africa to put on Rhodesia. Therefore, I'd like to put the question to you this way. Were you satisfied with Mr. Botha's response?

Secretary Vance: I feel that that

discussions were important discussions. They were candid discussions, and I think it was useful to have had these discussions.

Q. You will be seeing Mr. Smith [Prime Minister of the white regime in Rhodesia] tomorrow. Will what you were told yesterday by Mr. Nkomo and Mr. Mugabe make your date with Mr. Smith any more difficult than it would have been?

Secretary Vance: No, I don't think so. They have indicated that they are prepared to attend the meeting of all parties. As Dr. Owen has said, we feel that if progress is going to be made on the Rhodesian question, it is essential that all of the parties sit down together and discuss the differences which remain.

As we have indicated on many occasions, we believe that the Anglo-American proposals provide a framework for a solution which should be acceptable not only to the parties but internationally acceptable, which is very important.

Q. Mr. Nkomo was quoted out of context today as saying that at the meeting that you've just concluded in Salisbury, the patriotic front made concessions on the question of U.N. forces and resident commissioner power, but that Britain and the United States failed to meet them halfway, failed to make any concessions on their side. Therefore, everything was being given by the patriotic front and nothing given by you.

Is it your concept or is it Dr. Owen's concept that you were there in order to compromise or to change the Anglo-American plan that, therefore, this sort of question arises?

Secretary Vance: The Anglo-American proposals were put forward. They were amplified and modified over the discussions which followed in Malta. We have always said that we are prepared to discuss with the parties, because they must ultimately make the decision, any aspects which they feel must be raised in connection with it.

Q. Over the past few days some of the newly sworn black ministers in Salisbury have restated their willingness to see Mr. Nkomo and Mr. Mugabe take places on the Executive Council in the framework of the internal settlement. In light of what you heard in Dar from the patriotic front leaders, what is your evaluation



British Foreign Secretary Owen, U.S. Ambassador to the U.N. Young, and Secretary Vance (from left to right) confer in Pretoria with South Africa's Foreign Minister Botha (far right).

tion of the obstacles or likelihood of that kind of a compromise solution?

Secretary Vance: I think the first step is to get everybody to sit down together so that they can discuss their varying views with respect to these problems, and I think they've got to speak for themselves rather than my speaking for them.

REMARKS TO THE PRESS, SALISBURY, APR. 17⁵

Foreign Secretary Owen: As you know we've had some hours of detailed discussion, both this morning and this afternoon, and the atmosphere has been a good atmosphere. The expression of views has been clear on both sides.

As you know, we put to the meeting that we thought there should be roundtable talks at which all the parties could come, without precondition, to try and see if we could build on the areas of agreement that already exist, to widen the areas of agreement, and hopefully to work toward an agreed cease-fire, fair and free elections to be conducted this year, and a granting of independence to Zimbabwe recognized by the United Nations and the whole international community. We put that proposition to them.

I think they understand the reasons why we think it's in the interests of the people of Rhodesia and all the citizens who live in Zimbabwe that

such talks should take place. I think they understand our fears that could come if this opportunity of continuing the negotiations was to be missed. We are under no illusions about the difficulty that would be faced. They have agreed to take this away and give serious, detailed, and mature thought to the proposition that we put to them. That's what we asked them to do. We didn't come here asking them to make a snap decision; we recognize that they will want to consult amongst themselves, and they have agreed to do so.

Secretary Vance: I have very little to add to that except to say that I have found the discussions today to have been very helpful, and I am glad that we have had the opportunity to exchange ideas and views in a good atmosphere. We shall continue to work to give all the help we can in trying to find a peaceful solution to the problem in Rhodesia.

Q. Considering that the date of independence is now only about 8 months away, have you issued any kind of time limit to the decision you are hoping they will make?

Foreign Secretary Owen: The answer is no, we recognize that they will want to talk about it, that maybe that, between, we will have to have further discussions in order to try and narrow the areas so that people [inaudible] with agreements as far as we can on the way to talks will be held, where they'll be held, and the

time and the place, so that we've not put them under any tight threshold. They're going to go ahead and carry on their proposals, but we believe that no party should give up the negotiating process.

Q. In Dar es Salaam, Mr. Mugabe said that he wanted to see a one-party Marxist state in Zimbabwe. Do you have any comment?

Secretary Vance: Yes, I do have a comment about that. He did not say that to me. If he had said that, I would have rejected it completely.

Q. Since no quick agreement has been reached to call a Rhodesian conference, I wonder, as you wind up your mission to Africa, what you see developing ahead?

Secretary Vance: Let me say I think it has been a useful trip. I think progress has been made during the trip; the road ahead is a very difficult one and, as David has said, none of us underestimate those difficulties. But I am very glad we came and will continue to work at it.

Q. After the Lagos meeting it was announced that the plan was to have the Dar meeting and then on the 25th and 26th of April the all-parties conference. Would you explain what has happened since Lagos that you have not arrived at that 25th (of) April date?

Secretary Vance: The Rhodesians have indicated to us that they wished to take time to reflect seriously upon our proposals. I think that that is a fair and proper suggestion on their part, and, therefore, I think we must proceed and will proceed along those lines.

Q. What is your impression of the interim government, as you have now been in touch with it? Indeed, this is the first visit by a Secretary of State to Rhodesia. What is your impression of Rhodesia?

Secretary Vance: I think it's a lovely country.

Q. Do you think the interim government is functioning?

Secretary Vance and Foreign Secretary Owen in Salisbury.

Secretary Vance: I was very glad to have the opportunity to meet with them. This is the first time that I have, and as I said I found my talks very useful today.

CENTO OPENING SESSION, LONDON, APR. 19⁶

This ministerial meeting reaffirms the commitment of CENTO members to enduring and important common interests. As in the past, the United States remains committed to the central objective of CENTO—protecting the independence and territorial integrity of member states. My country remains committed as well to working with each of you on a number of critical issues which are of special interest to CENTO members because they have a direct or indirect impact on the stability and security of the CENTO region.

U.S. Defense Policies

The United States has recently completed a major review of its national defense strategy. The guiding principles which emerged from this study were first stated a month ago when President Carter spoke at Wake Forest University. They are worth restating today. President Carter said:

We will match, together with our allies and friends, any threatening power through a combination of military forces, political efforts, and economic programs. We will not allow any other nation to gain military superiority over us.

We shall seek the cooperation of the Soviet Union and other nations in reducing areas of tension. We do not desire to intervene militarily in the internal domestic affairs of other countries nor to aggravate regional conflicts. And we shall oppose intervention by others.

While assuring our own military capabilities, we shall seek security through dependable, verifiable arms control agreements wherever possible.

We shall use our great economic, technological, and diplomatic advantages to defend our interests and to promote American values.⁷

This statement of American policy indicates more than our concern for our own military strength; it indicates our readiness to act in concert with others to achieve a more peaceful and more stable world. This is why my country's association with CENTO is of fundamental importance to us.

While we maintain our military strength, we are also working for peace in a number of areas. These problems remain as challenges which must be addressed directly and in

common. The fact that they are on our agenda this year, at last, indicates their complexity and suggests the difficulty we will face in achieving the resolution. But in each case, the stakes are so high that we cannot fail to do all we can to help the parties to disputes to find just resolutions.

Middle East

A just and lasting peace in the Middle East remains today of crucial importance to the United States and to the world. The past year has brought some progress. Working with the parties, we have been able to move from general concepts to a precise identification of areas of concern on which agreements must be reached. We have witnessed narrowing of the gap, and with the historic visit of President Sadat to Jerusalem we have seen the initiation of direct contacts between Egypt and Israel. We strongly support these contacts, and we will continue to encourage and assist the parties to resolve their outstanding problems together.

We continue to believe that three basic issues must be addressed if a lasting settlement is to be achieved. These are:

- True peace, based on normal relations among the parties;
- Withdrawal by Israel on all fronts from territories occupied in 1967 and an agreement by all parties on secure and recognized borders in accordance with U.N. Resolutions 242 and 338; and
- A just resolution of the Palestinian problem in all its aspects. The resolution must recognize the legitimate rights of the Palestinian people and enable the Palestinians to participate in the determination of their own future.

These are complex and difficult questions. The progress made on the first has, unfortunately, not been matched in the other two areas. Nevertheless, the United States remains committed to a continuation of the peace process. Statesmanship and perseverance will yield compromise—and compromise will open the door to a resolution of the conflict. One thing is clear: If the process of peace remains deadlocked, the inevitable regression toward conflict will be difficult to halt—with the most profound consequences for us all.

The United States will continue to assist and encourage the parties to resolve their differences. We are unwilling to let slip an historic opportunity to achieve a just and lasting peace when it may be within our grasp.



Another area of great concern to all is Africa. We are deeply concerned that the Soviet Union and Cuba are unwilling to recognize the fundamental principle often stated by African nations that they can solve their problems without the use of external force.

The presence of large numbers of Cuban combat forces and Soviet personnel in the Horn of Africa does not promote stability.

The United States strongly supports the territorial integrity of all states in the region, including particularly Ethiopia, Djibouti, Somalia, and Liberia.

We seek the withdrawal of all foreign forces from Ethiopia and a peaceful resolution of the Eritrean dispute. It is clear to us that if the Eritrean issue is determined through the use of force by foreign troops, bloodshed and suffering will increase, and no enduring solution will be found. Tensions in the region will only be heightened.

Now that Somali forces have withdrawn from the Ogaden and the territorial integrity of Ethiopia is not threatened, there is no legitimate rationale for the maintenance of external combat forces in that country. We will continue to consult actively with all parties to ways we can work together to reduce tensions in the Horn, in support of the efforts of the Organization of African Unity.

In southern Africa, my country has been working closely with the United Kingdom, nations of the region, and others to help bring about a prompt and fair transition to independence and majority rule without further bloodshed in Rhodesia and Namibia.

Foreign Secretary Owen and I have just completed talks on the Rhodesian problem with the patriotic front and other parties in Salisbury. We are confident that we must keep the negotiations door open. Otherwise the parties will have no alternative to escalating conflict with the danger of increasing outside involvement. The front-line states and Nigeria have worked closely with us.

We believe our recent trip to Africa was well worthwhile. The patriotic front did not accept all the Anglo-American proposals. They did agree to hold further talks at which all parties could be represented. There was also progress on issues that are central to assuring free and fair elections; there was general agreement on U.N. involvement in peacekeeping and observing elections; and, contingent on

agreement on other issues, they accepted the executive authority of a neutral resident commissioner in the areas of defense and internal security.

Our talks in Salisbury and Pretoria were at least as positive as we had hoped. South Africa appears to understand the importance of achieving an early, internationally acceptable settlement which will bring peace. And while the Salisbury parties had said before our visit that they would reject an all-parties meeting, they are now willing to give it serious consideration. At least some realize that if they close the door to negotiations, they will further hurt their standing in the international community and will find it difficult to achieve the cease-fire that is so important to the holding of free and fair elections.

Our primary aim is to achieve a settlement among all the parties that will end the conflict. We remain committed to the Anglo-American proposals as a workable basis for a settlement. We also will continue to try to bring the parties together in roundtable talks.

In our talks on the Namibian question with the South Africans, there was recognition of the importance of a settlement which would have international acceptance. The South Africans have requested clarification of several of the proposals of the contact group. Foreign Secretary Owen and I agreed to discuss these matters with our colleagues in the contact group and to make a prompt reply so that both South Africa and SWAPO may respond soon to the contact group's proposals. A fair settlement in Namibia would do more than protect the people of that territory; it would also help to establish a sense of progress in southern Africa that would assist our efforts in Rhodesia.

Eastern Mediterranean

With respect to another important regional issue—that of Cyprus—my country remains fully committed to helping the parties and the Secretary General of the United Nations in the search for a solution that will permit the two Cypriot communities to live peacefully together within one independent and sovereign nation. We are committed to this goal because a divided Cyprus will continue to be an impediment to good relations between two important friends and allies—Turkey and Greece.

The United States views both Turkey and Greece as essential to the collective self-defense of the free world. The United States pledges its determined efforts to strengthening its ties

in this vital region which is so crucial to the long-term interests of CENTO, and of NATO as well.

Persian Gulf

We remain deeply interested, too, in the security of the Persian Gulf region. The cardinal importance of this region is underscored by the world's increasing reliance on its energy resources and by the growing role which the Persian Gulf states have to play in supporting the stability and prosperity of other areas. The United States places great importance on its relationship with Iran—a CENTO partner—and with Saudi Arabia and the other gulf states.

Iran, buttressed by steadily growing economic and defensive strength, remains of fundamental importance as a strategic partner within the CENTO framework. Iran is playing a most valuable role in promoting regional progress and security.

Pakistan, too, can contribute much to the stability of the region. We have noted its significant role in normalizing relations among the countries of the South Asian subcontinent.

Economic Progress

While the swift resolution of disputes necessarily can demand the most urgent of our diplomatic efforts, we recognize that the peace and stability we seek will ultimately elude us unless we are willing to join with others in promoting global economic progress.

We have indicated our willingness to work with others to increase capital flows to the developing world; to build a fairer and more open system of world trade; to work to moderate disruptive movements in commodity prices; to cooperate on energy conservation and development; and to strengthen the technological capabilities of developing nations. We are pursuing each of these policies through bilateral and multilateral channels.

We believe that policies which promise economic equity are strongly linked to the prospects for protecting political human rights more fully. My country will continue to work with others who believe that common security, though dependent upon a strong defense, must be founded as well on the far-sighted pursuit of economic and political justice.

The world is changing. Diplomacy becomes more complex. The agenda of issues expands. Increasingly, no nation acting alone can resolve its



Sipa Press from Black Star

problems. In such a world, the close relations and cooperation among the nations represented in this room becomes all the more important. Our security depends not only on our mutual trust and military strength but also on our ability to work together in addressing the problems that affect us all.

JOINT COMMUNIQUE, MOSCOW, APR. 22⁸

US Secretary of State Cyrus Vance visited Moscow from April 20-22. He was received by CC CPSU USSR Supreme Soviet L.I. Brezhnev and had several meetings with A.A. Gromyko, Member of the Central Committee of the Communist Party of the Soviet Union Presidium and USSR Minister of Foreign Affairs.

An exchange of views took place on major issues of US-Soviet relations and also on certain international problems of mutual interest to the United States and the Soviet Union.

In the course of the negotiations particular attention was devoted to the development and implementation of further measures aimed at the prevention of nuclear war and the limitation of armaments.

In this connection there were useful and thorough discussions regarding the preparation of a new agreement for the limitation of offensive strategic weapons. As a result there was a narrowing of the parties' positions on some of the remaining unresolved issues.

Both sides expressed the intention to work intensively to conclude an agreement on the limitation of offensive strategic arms at the earliest possible time. Other arms limitation negotiations were also discussed, and both sides agreed, in particular, to continue, jointly with Great Britain, to work toward the most rapid conclusion of an agreement on a full and comprehensive ban on nuclear weapons testing.

Both sides emphasized the great importance they attach to achieving

progress in negotiations on the mutual reduction of forces and armaments in Central Europe.

During the discussion of arms limitation issues, the parties also exchanged views on the forthcoming UN General Assembly Special Session on Disarmament.

It was agreed to continue discussion of the questions dealt with in Moscow.

DEPARTURE STATEMENT, MOSCOW, APR. 23⁹

First, I would like to express my appreciation to President Brezhnev and to Foreign Minister Gromyko for their warm hospitality and for the friendly and constructive spirit which they have brought to our meetings.

I would in particular, as a Foreign Minister, like to add a personal word of respect for Minister Gromyko. As a thoroughly professional practitioner of the diplomatic trade, he has few peers in the modern world. He represents his country's interest with great skill, high intelligence, and a spirit tempered in decades of experience.

Our meetings here have been useful and constructive. The structure of peace that we all desire, if it is to be enduring, must be built brick-by-brick with workmanlike and realistic steps. We have made some progress during these meetings toward a SALT agreement, and we hope to carry these efforts forward in subsequent meetings. There is no more important task before the nations of the world than this critical effort to bring a sense of sanity into the regulation of the military competition, especially in regard to strategic weapons.

We have also made some progress, I believe, in moving toward a better understanding of the problems involved in the bilateral relations between the Soviet Union and the United States. We are realistic about these problems, and we know that they will not be dispelled by declara-

In Moscow Secretary Vance and U.S. Ambassador Malcolm Toon (right) meet with President Brezhnev, Foreign Minister Gromyko and Soviet Ambassador to the U.S. Dobrynin (across table from left to right).

tions but will continue to require political measures and continuous effort. It is our intention to work at these problems with determination, recognizing that the relations between the Soviet Union and the United States are a central factor in world peace and stability.

PRESS BRIEFING, WHITE HOUSE, APR. 24¹⁰

I just reported to the President my trip to Africa and to the Soviet Union and to Western Europe.

In southern Africa David Owen and I first went to Rhodesia, as you know, and met with the patriotic front. During our talks with the patriotic front, we made some progress on a couple of key issues—namely the powers of the resident commissioner with respect to internal security and defense. They are two key areas and it was agreed with the patriotic front, as proposed in the Angolan American plan, that he should have—he, the resident commissioner—exclusive power in these areas.

The patriotic front also agreed to the principle of the United Nations supervising the cease-fire and supervising the police during the transit period.

The patriotic front also agreed to respect to an all-parties conference and said that they would attend all-parties conference.

There were differences of views on other matters, such as the governing council and what the power-sharing within a governing council should be and the functions of the governing council in terms of legislative authority.

We went from there down to South Africa. We discussed with the South Africans both the Rhodesian situation and the Namibian problem. The Foreign Minister of South Africa asked for certain clarifications on our proposal of the five Western powers to the so-called contact group. As you know, that group has put those proposals into the U.N. Security Council now and debate is starting in the General Assembly tomorrow in Namibia.

The clarifications asked for by the Foreign Minister of South Africa, and also clarifications asked by the

oma on behalf of SWAPO, will be gained in the statement which is being made by Mr. Jamieson, the Foreign Minister of Canada. He will be speaking on behalf of all of the negotiators tomorrow at the United Nations.

the Soviet Union, I think as you know, I indicated that I believe the talks there were useful. I believe we made some progress. There is a great deal of hard work ahead, and we agreed that both sides would intensify their efforts to try and complete the work which has to be done before an agreement could be reached.

Q. How long do you think it will be before you are able to get an agreement?

I honestly don't know. I would be guessing if I tried to say. There are some difficult issues that remain, and I don't know how long it is going to take—

Q. Are they the issues that were always there almost from the beginning?

Some of them are.

Q. For some time now, since this Administration has been in office, the Soviets have argued—particularly in the SALT talks—that all the goodwill which they expended and the give in SALT was to come from the American side. Did you see any moderation of that view, that the Americans must be the ones who do all the giving?

I think it is interesting in the statement that was issued by President Carter when he was at the close, after our meeting. He indicated that both sides agreed to work together to achieve an agreement.

Q. You said that is interesting. Do you consider it significant? Do you consider the Soviets will not be as flexible?

I think it is significant that it was specifically stated this was something that both sides had to work at.

Q. Pardon my ignorance, but is President Brezhnev coming to the United Nations for the disarmament—for the meeting?

He didn't indicate that he was, but the last that I had heard several weeks ago is that probably the delegation would be handled by the Foreign Minister.

Q. You say you don't know; you would be guessing. This year for SALT, though?

A. Yes, it could be this year.

Q. Could be. In other words, it might not be?

A. I am not going to predict the date.

Q. The President has predicted a date often.

A. I am not going to predict today.

Q. Can you tell us where you did make progress generally?

A. I have said very clearly in Moscow and I have said since leaving Moscow that I am not going to go into the underlying details. All I am going to say is that some progress was made. Let me tell you the reason for it.

In negotiations with the Soviet Union, the mark of the seriousness of the negotiation is the confidentiality of the negotiations. If one gets into the detail in public discussion of matters still under negotiation, it is regarded by them as a propaganda exercise rather than a serious negotiation. I do not want to do anything to jeopardize serious negotiations that are going on between us. Therefore, I am going to stick to what I have said, which is in general that the talks were useful and that we made some progress.

Q. Would you say that the attitude about public discussion is somewhat of a shift in the view of this Administration from last year?

A. Yes, it certainly is insofar as I was concerned in my first trip to Moscow. I spoke frequently on the issues. A year later I am convinced that the way we handled it this time in Moscow is the preferable way.

Q. You are saying in effect that the President can no longer discuss foreign policy openly as he talked about during the campaign?

A. I am not saying that at all. I am saying in a particular negotiation like the SALT negotiation, that where you are dealing with very complicated and technical matters on many issues, to talk about matters which are still under negotiation is liable to give misleading information, and at the same time it also has the problem that I referred to earlier.

Q. Does that extend to no more discussion of human rights and the Horn of Africa?

A. Of course not.

Q. When do you expect to hear

from the internal government in Rhodesia as to whether they will go to a conference?

A. I would expect we will probably hear from them in the next couple of weeks would be my guess. I don't know for sure, but they said they were going to take the proposals and give them serious consideration. They said it would be—I think the word was irresponsible not to give them serious consideration, and they would be back in touch with us. □

¹Other press releases relating to Secretary Vance's trip are Nos. 163 of Apr. 13; 165 of Apr. 14; 166 and 167 of Apr. 15; 168 and 169 of Apr. 16; 179 and 181 of Apr. 20; and 184 of Apr. 24.

²Press release 170 of Apr. 17, 1978.

³For text of the proposals, see BULLETIN of Oct. 3, 1977, p. 424.

⁴Press release 171 of Apr. 17, 1978.

⁵Made following their meeting with the Rhodesian transitional government (press release 174 of Apr. 17, 1978).

⁶Opening paragraphs omitted.

⁷For full text of President Carter's address on Mar. 17, 1978, see BULLETIN of Apr. 1978, p. 17.

⁸Press release 182 of Apr. 22, 1978. (list of U.S. and Soviet participants in the meetings omitted).

⁹Press release 183 of Apr. 24, 1978 (exchange of remarks with the press omitted).

¹⁰Press release 187 of Apr. 24, 1978.

Interview on "Face the Nation"

Secretary Vance was interviewed on the CBS television and radio program "Face the Nation" on April 30 by George Herman, CBS News correspondent; Marvin Kalb, CBS News diplomatic correspondent; and Murrey Marder, Washington Post senior diplomatic correspondent.

Q. President Carter said about the sale of airplanes to Israel, Egypt, and Saudi Arabia: "I look upon them as a package, and if Congress should accept a portion and reject another, then my intent is to withdraw the sales proposal altogether." I wonder, listening to some Administration statements since, has the President done an about-face on this as a package?

A. What the President has made

very clear is that each one of these must be separate, put before the Congress separately, considered separately by the Congress. That is the law, and that is the way that it will be done. However, in exercising his responsibility, the President must look at the action taken on each one of these separate actions before he makes his ultimate determination.

Q. In your first answer, you sort of explained what the President had said. But I'm not sure I've gotten the whole thing yet, because another part of the President's quotation from the news conference was: "If Congress should accept a portion and reject another, then my intent is to withdraw the sales package altogether." Is that still operative?

A. Yes. He's got to exercise his judgment as he sees the action taken on each one of the elements of this package. These separate elements are reinforcing.

Let me say a word by way of background on this. We believe that they're an important part of the search for peace in the Middle East. They're important because they fill the needs, the requirements of each one of these countries. Yet, at the same time, they give confidence to each one of these countries that we are going to fulfill our commitments to them and fill their needs when they have legitimate needs.

Now, this is important to the peace process. Why is it important to the peace process? It's important not only that they should have the elements which they need for their defense, but it's also important they they should have confidence in the United States. If we are going to play an effective role in the peace process, then we must have the confidence of each of the parties. We are committed to the defense of Israel, to its security. This is an unshakable commitment.

Insofar as Egypt and Saudi Arabia are concerned, each of them has an important role to play in the peace process. The Egyptians are an essential element in the discussions which are taking place. The Saudi Arabians are a moderate force, a moderate force for peace. And, therefore, it's important that all of them have confidence in us and that we will help them in what they need and in their well-being.

Q. This arms sales issue has taken on implications clearly beyond the normal factor of weaponry. Can you tell us what in your judgment would be the damage done to overall U.S. policy if some measure of weaponry

is not provided for Saudi Arabia?

A. Saudi Arabia, as I indicated, is a force for moderation in the Middle East. It is also an extremely important country in terms of the part which it is playing in the economy of the world. Obviously it is one of the leaders in OPEC [Organization of Petroleum Exporting Countries]. And, thus, it is a very important country from many, many standpoints.

Saudi Arabia is also a long and close friend of the United States. We have made a commitment, starting in 1975 and reaffirmed in this Administration, to meet their needs in this regard. We have carefully examined their request for 60 F-15 aircraft. We have, after that examination, concluded that this is a valid need to meet their defense requirements. If we were now not to go forward with that, I think we would seriously jeopardize our relationship not only with Saudi Arabia but with the moderate countries in the area as well.

Q. I just want to not misunderstand something. Earlier on you used the term again "mutually reinforcing," which was the language that you used at the very beginning at that news conference with Defense Secretary Brown. And then you followed that news conference statement up by talking about a package. I know that you are now stressing the individual nature of the consideration of Congress, but it is in your mind—the Administration—still a package.

A. In the view of the Administration, they are—each of them—self-reinforcing. And without each one of them being acted upon positively, I think it's going to produce a result which will be damaging to the peace process and damaging to our relationships with each one of these countries.

Therefore, I believe very strongly that the Congress should act positively on each one of those.

Q. To what extent has Administration policy in the Middle East become hostage—you talked a great deal about Saudi Arabia and its importance—become hostage really to oil—Saudi Arabia being a terrific and principal supplier of oil?

A. Obviously oil is a very important commodity, not only for the United States but for the world, for Western Europe, for our friends and allies all over the world, for the poor nations as well as the developed countries. And no one should try and belittle the importance of oil.

But that's not the sole factor. There are other factors involved. And the factor here that I see is reinforcing peace process. And I stress that Saudi Arabia, as a moderate, as a supporter of the search for peace that is going on now—on now between Israel and Egypt—is a very important element. And therefore, that must not be counted. It must be underlined.

Q. Feeling the way you do about the importance of the arms sale to Egypt and to Saudi Arabia as mutually reinforcing and so forth, would you recommend to the President to withdraw the package in whatever form—this is the question that I'm trying to get at—if one or the other, Egypt or Saudi Arabia, is turned down by Congress? Would you recommend to the President to withdraw?

A. I think I've made it very clear that I consider each one of these elements to be essential.

Q. You've had a series of talks with Israeli Foreign Minister Moshe Dayan, and Israeli Prime Minister Menachem Begin is coming on Monday. Have you made any specific headway on any issue in the Middle East, in the Arab-Israeli conflict that gives you any further reason for believing that the impasse we have experienced on the Arab-Israeli negotiations can be overcome? Anything specific?

A. No, I cannot give you any specific coming out of the discussions which I had with Minister Dayan which gives me the basis for saying that there has been a breakthrough that I see new light at the end of the road. We did have a good exchange of views. I think the meeting was useful. I asked a number of questions of the Foreign Minister, for whom I have great respect, as you know, and he is going to discuss those questions with his Prime Minister and, I assume, with other members of the Cabinet. And we shall see what comes from that.

Let me say I have not given up hope with respect to the possibility of making peace in the Middle East. I believe it can be done, because I believe that it's in the interests of all the countries in the area that that be done. And, therefore, we're going to persevere, and I believe that they will persevere as well.

Q. Is the Egyptian Foreign Minister coming here soon?

A. No, not at this point. There are no plans for him to come.

Q. On another related issue here, there are a number of members of the Administration who have been quoted as saying that this Administration cannot succeed in its Middle East policy unless the so-called Israel lobby is broken. To what extent does that sentiment govern the policy?

A. I don't like to use words like Israel lobby or anything like that. I think that individuals are going to make up their own minds on this. These are very serious, very important issues. And those issues are going to be weighed individually by individual Americans, and they're going to make up their own mind on these.

Q. You went to the Soviet Union last week at a time when Soviet leader Leonid Brezhnev was severely criticizing the United States for vacillation and uncertainty in its nuclear arms control policy. Were you able to convince him otherwise?

A. I think that words speak for themselves. As you'll recall, after our talks President Brezhnev indicated that he believed that some progress had been made. He indicated further that the task of completing the remaining items was a task which lay in the hands of both of us, not just in the hands of one. Previously, he had referred to the fact that, in effect, it was up to the United States to move. He said after our discussions that it was up to both of us to see whether we couldn't take the necessary steps to close the gaps on the remaining issues. And I think that speaks for itself.

Q. Can you give us any specifics at all, about the degree of movement you made which will enable the Administration to overcome the quite fierce opposition it has in Congress on a SALT treaty?

A. You've touched a very sensitive point with me. As you know, I feel very deeply that where one is engaged in sensitive negotiations on a very complicated matter like the SALT negotiations—that's the Strategic Arms Limitation Talks—that it is wrong to talk publicly about the details of that negotiation while the negotiation is ongoing.

Let me further say that insofar as the Soviets are concerned, they consider it a mark of seriousness if you keep the talks confidential while they're still in the discussion stage. And if it immediately becomes public and you go into the details, they regard that as a propaganda exercise. So

that's another factor I think one has to take into consideration.

Q. I recognize the problem that the Administration has. At the same time, the Carter Administration did take office pledging a considerable degree of openness. And frankly, from your own standpoint, from your own ability to develop a consensus to support your policy, how does the Administration intend, while this process is underway, to marshal the consensus that is necessary to overcome the very strong opposition of those who are opposed to any SALT treaty?

A. It's a very good question, and let me answer it. I think we're going to have to talk in general terms. I think we're going to talk about what our objectives are in SALT. What are they? First, we want an agreement which is a sound agreement. We feel under no time deadline. We will negotiate until we have a sound agreement.

What do I mean by a sound agreement? I mean one which will maintain or enhance our security and that of our allies as well.

Now I think that if we can get such an agreement, then obviously we will take an action in our national interest. And I think when the time comes when we have completed our negotiations, then we can lay out very clearly all the elements and show how these do enhance not only our security but those of our allies.

Q. Do you believe that as a result of your trip to Moscow and the forthcoming talks that you will have in May with Foreign Minister Gromyko in New York that a summit meeting between Presidents Brezhnev and Carter is now likely?

A. I don't want to use the word "likely." I think it's possible.

Q. When?

A. I don't want to make any guesses on that.

Q. Are you looking toward something this summer, which seems to be what one hears in the State Department?

A. I think it would be unwise for me to speculate or guess on something like that.

Q. Is a summit meeting important or even critical at this point in resolving the differences that remain?

A. I think, first, we've got to see if we can't resolve the remaining dif-

ferences in the Geneva talks—that's between our two delegations there—or between the Foreign Minister and myself and then see whether anything remains which has to be resolved at a summit.

Q. Let me ask you a question which may sound like a change of subject but actually isn't. Is there going to be Sino-Soviet, Chinese and Russian talks? Is there going to be a series of moves toward a rapprochement between the Soviet Union and China?

A. They are having discussions. I believe, on the questions relating to the border disputes on the Amur River.

My own analysis is that at this time that the relationships between the two will remain about the same as they are at the present time. Those are correct relationships. However, they are not warm relationships, to say the least. And I would anticipate that they would continue at about that level and tone.

Q. President Carter had said a few weeks before you went to Moscow that the projection of Soviet power into Africa was a very ominous trend. Your predecessor, Henry Kissinger, said recently: "Another move of the kind we have seen in Angola and Ethiopia will raise the presumption that we are facing a global geopolitical challenge incompatible with any definition of detente." Do you agree with that?

A. Let me say a word first about detente. I think clearly detente is a two-way street. It's a street on which there must be a recognition of the concerns of the other party and action that is consonant with such a recognition.

Having said that, let me say again, as the President has and I have, that we do view with concern the actions of outside or external forces within the continent of Africa. We support very strongly one of the fundamental tenets of the Organization of African Unity, which is that African problems should be solved by African countries and not by outside interference—

Q. Was your concern allayed in any way as a result of your talks in Moscow?

A. All I can say on that is that we had a full discussion. They clearly understand our views on this issue. So that there can be no doubt that there is a clear understanding of how importantly we view this issue.

Q. Do you feel that even if you got a SALT agreement with the Russians that you could get it through Congress this year?

A. I believe that when we get a SALT agreement we will be able to get it through Congress, because I think that when we can lay out all of the details of a SALT agreement, the people of the United States and the Congress of the United States will see that it's in our national interest to ratify and approve that.

As to when the Congress will act on a SALT agreement, first it depends on when the agreement is negotiated and signed. And as I said before, I can't tell you when that's going to be. We feel under no specific time pressure insofar as that's concerned. What we want is a good agreement, and I assume the Soviets want the same thing.

It will then, when signed, go to the Congress, and the Congress will have to determine within the calendar which it has how soon it can get to that. So I just would be speculating if I tried to indicate when that will happen.

Q. Is the Administration now building toward normalization with China? And I ask you this in connection with Mr. Brzezinski's [Assistant to the President for National Security Affairs Zbigniew Brzezinski] forthcoming visit. There's speculation that what you are seeking to do is to normalize not this year, because Congress may not be able to handle it, but perhaps next year.

A. Our goal—and it's been our goal from the start of the Carter Administration—is to normalize relations with the People's Republic of China within the framework of the Shanghai communique, which was issued during the Nixon Administration. As to the time and methods involved in bringing about normalization, that is something which we are still studying and considering.

Now let me just answer, please, if I might, the second part of the question, namely Zbig Brzezinski's trip to China. This is an important, continuing step in our dialogue with the People's Republic of China on global issues. China is one of the major powers in the world. It has 900 million people. It is playing an increasing role in the world and in world councils. And it's very important that

we keep in touch with them to discuss global issues.

Zbig is not going to negotiate anything about normalization. It is part of this continuing global exchange with them.

Q. It is reported, at any rate, that you opposed the timing of Mr. Brzezinski's visit, perhaps even the idea itself. Is that correct?

A. I'm glad you asked me that question. I recommended the trip. I approve it. I think the timing fits very well. And I wholeheartedly endorse it.

Q. Would you consider it a personal defeat for the Carter Administration if, at the end of its 4 years in office, it has not succeeded in normalizing relations with China?

A. Normalization of relations with China is one of the fundamental goals. I would hope that during the first term we would be able to normalize relations. But let me, in saying that, make one further point. We consider to be of great importance the security and well-being of the people of Taiwan. And that is something that everybody should have very clearly in their minds.

Q. In connection with both your visit to Moscow and Mr. Brzezinski's forthcoming visit to China, there have been at least editorial suggestions saying—portraying a vision of the world being somewhat confused by an Administration speaking with too many spokesmen and perhaps expressing too many differences in policy. Is this a practice, now that the President has concluded that famous Camp David weekend meeting, that is going to stop?

A. I think it's important that we do speak with clarity and with a voice that is recognized as representing the views of the country so that people can be certain that when they hear something being said on one of the fundamental issues of foreign policy that this is the foreign policy of the country. I think we're making progress in doing this. And although I wasn't at Camp David, I'm sure that this is probably one of the questions which was discussed and stressed.

Q. Were you disappointed and do you now have any real hopes whatsoever that a black on black civil war can be avoided in Rhodesia? And if you have any, could you

please tell us what those hopes are?

A. I think there's a possibility that it can be averted. But I think in order to avert it, what must be done is bringing the parties together.

Who are the parties at this point? There's the patriotic front on the one hand and the Rhodesian front government on the other. Unless these two groups can be brought together to resolve the remaining differences, then think the chance of a civil war—a civil war that might be expanded by the presence of external forces—is great. This would be a tragedy for Rhodesia and for all the countries surrounding Rhodesia.

Q. But you made your trip with the hopes that you could make some progress in this and also that you could make some considerable progress on Namibia, the independence for what is otherwise called South West Africa. I recognize that the South African Government which rules South West Africa has accepted the Western plan.

A. And we're very pleased to see that.

Q. But Sam Nujoma, the President of SWAPO [South West African People's Organization], has not. Do you regard that as an extricable situation?

A. Yes, I do. I think it is. I think we made real progress on the Namibian situation. We're going to continue to work on that. I have not heard any means given up hope that SWAPO will agree to go along with the proposals of the five Western powers. I think those proposals are sound. We have the support basically of the front-line states. And I believe that we can make progress there.

Q. What is your present state of concern about the probability of use of Cuban troops—large numbers of Cuban troops—in the Ethiopia province of Eritrea where a secessionist war of liberation is under way?

A. It remains to be seen what is going to happen there. So far they do not appear to be participating in the actual conflict that is going on there although there are many of them in the area. This is a problem that should be solved by the Eritreans and the Ethiopians.

Press release 196 of May 1, 1978.

ARMS CONTROL: U.N. Special Session on Disarmament Convenes

Representatives from 149 countries—each member of the United Nations—met in New York for the U.N. General Assembly Special Session on Disarmament May 23-June 2, 1978. The special session was convened in order to emphasize the importance of making progress in the field of arms control and to provide impetus for future arms control negotiations. Ambassador Andrew Young, U.S. Permanent Representative to the United Nations, headed the U.S. delegation to the special session. Following is the U.S. address to the special session delivered by Vice President Mondale on May 24.

I am honored to represent the President of the United States at this Special Session on Disarmament of the U.N. General Assembly. The nations of the world are gathered here today to pursue the most vital and solemn obligation of the U.N. Charter—"to save succeeding generations from the scourge of war."

We meet today at the initiative of nonaligned states. These nations, comprising the bulk of the world's people, are particularly aware of the hopelessness and helplessness spawned by the arms race. I salute them for calling us together to confront this challenge.

And we applaud, as well, the dedication and contribution of the many governmental organizations represented here. The arms race touches the lives of every man, woman, and child in the world. The control of arms is crucial to leave to a few governments or even all governments alone. You are our conscience and inspiration.

My beloved friend, Hubert Humphrey, was one of the earliest voices calling for arms control and disarmament. He spoke of the challenge we face today. He said:

"There is a new era, one which calls for a new kind of courage. For the first time in the history of mankind, one generation literally has the power to destroy the past, the present, and the future; the power to bring time to an end."

And if we do not curb the arms race, we not only threaten the future, we impoverish the present.

While the people of the world cry for food and shelter, for medicine and education, the vast resources of our

planet are being devoted more and more to the means of destroying, instead of enriching, human life. The global cost of arms has reached \$400 billion a year. The world is spending almost \$1 million a minute for weapons. Over 20 million men and women are in military service around the world.

No world leader, no parent, and no individual on this Earth can live securely in the shadow of the growing world arsenal. But in the face of that mounting danger, this conference is a symbol of hope. This Special Session on Disarmament of the U.N. General Assembly offers hope of greater progress toward disarmament and a world in which the threat of war is vastly diminished and the security of each nation more fully insured.

U.S. Commitment

The United States attaches major importance to the work of this conference. Last October, President Carter made a special trip to the United Nations to emphasize America's strong commitment to arms control and disarmament.¹ He stressed our willingness to work toward a world truly free of nuclear weapons. He pledged our total commitment to reversing the buildup of armaments and reducing their trade.

Since that time, the United States has been engaged in the broadest set of arms control negotiations in our history. Together with our negotiating partners, the United States has de-

veloped an agenda more extensive than any nation has ever attempted. We are taking concrete actions in 10 different areas—from nuclear weapons accords, to regional restraint, to limits on conventional and unconventional arms such as antisatellite and radiological weapons. Before too long, the United States expects to take part in two historic achievements.

- For the first time since the dawn of the atomic era, we will reach an agreement to reduce the combined total of strategic nuclear weapons delivery vehicles of the Soviet Union and the United States.

- After two decades of negotiations, we will produce a comprehensive test ban controlling nuclear explosions by the United States, the United Kingdom, and the Soviet Union.

The United States welcomes this opportunity to review what is being accomplished, to chart our course for the years ahead, and to rededicate ourselves to further success.

Assuring Security Needs

We are here to listen to the voices of other nations, as well as to raise our own in behalf of arms control and disarmament. For this session is a part of a process in which all of us must work together, in a spirit of openness and mutual respect. As President Kennedy once said: "Genuine peace must be the product of many nations, the sum of many acts."

To avoid a world a decade hence in which three-quarters of a trillion dollars is spent on arms, in which there are more nuclear-weapons states, we must have a program that is visionary in concept and realistic in action.

Realism requires that we face squarely the central issue of the arms race—the concern of each nation and government for the security of its people. If the arms race were driven by madmen, there would be no hope. Controls would be beyond the reach of rational discourse. Irrational forces no doubt play a part, but the arms race is driven by other considerations as well—technology, international tensions, legitimate security concerns.

The prudent policy of any nation must include both sufficient military preparedness and arms control efforts—if its security is to be assured.

Vice President Mondale addressing the U.N. Special Session on Disarmament.



United Nations Photo

In the short run, no nation can be asked to reduce its defenses to levels below the threats it faces. But without arms control among nations, in the long run weapon will be piled on weapon with a loss in security for all.

These meetings at the United Nations and the NATO summit next week in Washington [May 30-31] dramatize the determination of the United States to take every step possible toward greater arms control while at the same time assuring essential security needs.

Today, our defense budget is no larger in real terms than in the late 1950's and less than it was a decade ago. But other nations have increased their military budgets in real terms by more than one-third over the past decade.

We and our NATO allies are strong, and we will remain strong to provide for the defense of our peoples. But we face a continuing buildup of unprecedented proportions in Europe. The Warsaw Pact has developed an almost three to one advantage in tanks. The SS-20 nuclear missile now being deployed against Western Europe is a new departure in destructive power and represents a substantial increase in the nuclear threat of the Soviet Union.

The NATO summit meeting next week in Washington will recommit the Western democracies to a military posture capable of deterring and defending against attacks. We will remain prepared to resist attack across the spectrum of conventional, tactical nuclear, and strategic forces. In the face of the continuing buildup of Warsaw Pact forces, we will moderately increase the defense budgets of our nations. We do so not from preference but necessity.

At the same time, the NATO summit will reaffirm and re-emphasize the commitment of the West to the other dimension of our common security policy—the pursuit of arms control. We will address the arms control initiatives the West has recently taken and will continue to take. We will offer our continued strong support for the success of the special session.

In his Day of Peace message this January, His Holiness, Pope Paul, in effect, spoke of the work of this special session. He said:

the conscience of the world is horrified by the hypothesis that our peace is nothing but a truce and that an uncontrollable conflagration can be suddenly unleashed.

We would like to be able to dispel this threatening and terrible nightmare by proclaiming at the top of our voice the absurdity of modern war and the absolute necessity of peace—peace not founded on the power of

arms that today are endowed with an infernal destructive capacity . . . nor founded on the structural violence of some political regimes, but founded on the patient, rational and loyal method of justice and freedom, such as the great international institutions of today are promoting and defending.

Program of Action

Today, I want to speak to that message. I want to set forth bold objectives and realistic steps—a vision that should guide our arms control efforts, and that can help us develop the centerpiece of our work over the next few weeks—the program of action.

First, we should substantially cut the number of strategic nuclear arms and place increasingly stringent qualitative limitations on their further development.

This Special Session . . . offers hope of greater progress toward disarmament and a world in which the threat of war is vastly diminished and the security of each nation more fully insured.

The United States recognizes that it bears, together with the Soviet Union and other nuclear-weapons powers, a very special responsibility. The SALT II [Strategic Arms Limitation Talks] agreement which is rapidly taking shape will:

- Reduce the number of strategic delivery vehicles now in existence and put a ceiling on the remainder;
- Establish sublimits on those systems which are most threatening and destabilizing; and
- Impose restraints on the improvement of existing weapons and the development of new and more sophisticated systems.

Equally important, the SALT II agreement must and will be adequately verifiable. Neither side can be permitted to emerge suddenly superior through undetected cheating, thus upsetting the strategic balance upon which deterrence of nuclear war depends.

Successful SALT negotiations will make a major contribution to peace. SALT II serves all nations' interests. It deserves universal support. But SALT II is only a step in a very difficult long-term process. We hope soon

to begin SALT III. The United States is committed—and I emphasize the point—to a further substantial reduction in nuclear weapons and to stricter limitations on modernization and new types of delivery vehicles.

A commitment by others will also be required if SALT, and other negotiations, are to succeed.

Yet, Soviet theater nuclear force have increased. The most significant development has been the deployment of the SS-20—a new, mobile intermediate-range ballistic missile. Each one of these missiles, which number in the hundreds when deployment is complete, carries three nuclear warheads, each with an estimated yield of 500 kilotons. This high yield coupled with the SS-20's accuracy has significantly increased the Soviet military capability against both military and civilian targets. But the high yield also means that damage to innocent civilians would be extensive, with effects extending 12 kilometers from an explosion.

The SS-20 missile, while not targeted at the United States, is capable of striking targets not only in Western Europe but in Asia, Africa, and the Middle East. Its deployment runs totally contrary to all that this special session seeks to achieve. What can justify this escalation in nuclear arm

Second on our agenda, the should be an end to explosions nuclear devices.

Soon after his inauguration, President Carter announced his intention to proceed quickly and aggressively with a comprehensive test ban treaty eliminating the testing of all nuclear devices whether for peaceful or military purposes. Subsequently, the United States, the United Kingdom and the Soviet Union entered into trilateral negotiations aimed at accomplishing this historic objective. If successful, this will represent the culmination of a process which began in the late 1950's. It will build on interim results of the Limited Test Ban Treaty of 1963 and the U.S.-U.S.S.R. Threshold Test Ban and Peaceful Nuclear Explosions Treaties signed in 1974 and 1976.

A comprehensive test ban would make a major contribution to curbing the nuclear competition between the superpowers. It would lessen incentives for the development of nuclear weapons by states which do not now possess them and thus re-enforce the Nonproliferation Treaty.

Trilateral negotiations are under way in Geneva. Important progress toward an adequately verifiable

agreement has been made. Once agreement is reached, we will move vigorously to seek a multilateral comprehensive test ban treaty accepted by all states. All nations must be persuaded to foreswear testing. The continued explosion of nuclear devices has been the major symbol of man's unwillingness to put aside the further development of the world's most devastating weapons. It can, must, and will be stopped.

Third, as we limit and reduce the weapons of existing nuclear states, we must work in concert to insure that no additional nuclear-weapons states emerge over the next decade and beyond.

The spread of nuclear weapons to an ever-increasing number of countries and regions is a chilling prospect. It brings ever closer the probability of their use. Such proliferation would seriously heighten regional and global tensions. It would impede peaceful commerce in the field of nuclear energy. And it would make the achievement of nuclear disarmament vastly more difficult.

The United States understands the concerns of some non-nuclear-weapons states that they are being discriminated against. To help meet these concerns and to prevent the proliferation of nuclear weapons:

- I reiterate today the solemn declaration which President Carter made from this podium in 1977. The United States will not use nuclear weapons except in self defense—that is, in circumstances of an actual nuclear or conventional attack on the United States, our territories, or armed forces, or such an attack on our allies. I call on other nations to make his pledge;

- The President will propose new and expanded contributions by the United States to the peaceful nuclear programs of states which support nonproliferation;

- As President Eisenhower said as long ago as 1956, we must ultimately work out, with other nations, suitable, verifiable, and safeguarded arrangements so that the future production of fissionable materials anywhere in the world would no longer be used to increase the stockpiles of explosive weapons; and

- We will pursue the International Nuclear Fuel Cycle Evaluation to explore further how to insure the benefits of nuclear energy to all without its proliferation risks.

We must redouble our efforts to increase still further the distance be-

tween the military and peaceful uses of nuclear energy. Nuclear power stations should produce energy for people—not plutonium for bombs.

Let us learn from the example set by Latin America. Let us expand the regions of the Earth where nuclear weapons will be banned. At the initiative of several Latin American nations, the treaty of Tlatelolco, which bans nuclear weapons from the area, was signed in Mexico City in 1967. Since then, almost all potential parties to the treaty, including the United States, have signed. The United States congratulates the Soviet Union for its recent signing of Protocol II of the treaty. There is now only one country in this region which has yet to indicate its interest in signing [Cuba]. That should be remedied now.

It is our hope that the treaty will come fully into force as soon as possible, thereby creating the first major nuclear-weapons-free zone in the

The prudent policy of any nation must include both sufficient military preparedness and arms control efforts

world. We hope that Latin America's bold initiative will be a model for other regions to follow.

Fourth, as we move to gain control over the nuclear threat, we must seek mutual agreement to ban other weapons of mass destruction.

The horror of gas warfare during World War I is etched in the memory of mankind. We have made some progress in recent years by prohibiting biological weapons. The United States and the Soviet Union are moving closer to an agreement on banning radiological weapons, which we would then put before the Conference of the Committee on Disarmament (CCD). Our discussions on chemical weapons are proving more difficult. Any agreement on chemical or new and exotic weapons must be adequately verifiable. The United States is committed to finding a solution, assuming there is a fair-minded approach on the other side.

Fifth, we must immediately slow down and then reverse the sharp growth in conventional arms.

The vast bulk of the \$400 billion spent for military purposes in 1976 was spent on conventional weapons. We recognize the legitimate concern

of nations that they not be denied arbitrarily access to arms needed for their legitimate defense. Such needs must and will be met. At the same time, our common interests demand a vast reduction in the flow of conventional arms.

Fresh thought is required to come to grips with this neglected, increasingly important dimension of arms control. But we can and we must take action now. Fueling the conventional arms race is the rapidly expanding international trade in these arms. The value of arms imports by the developing nations has increased 75% from 1967 to 1976. A limited, but growing, number of suppliers and recipients accounts for most of this \$20 billion trade.

The United States has on its own initiative begun to reduce the volume of the arms it sells. Under President Carter's conventional arms policy:

- We have placed a ceiling—a reduction of 8% in FY 1978—on weapons and weapons-related items to countries other than NATO, Australia, New Zealand, and Japan;

- The United States will not be the first to introduce into a region a newly developed advanced weapons system which would create a new or significantly higher combat capability;

- We will not sell any such weapons systems until they are operationally deployed with U.S. forces;

- We will not permit development or modification of advanced systems solely for export; and

- We have placed strict controls on coproduction and retransfers.

Recognizing that this problem requires action by all suppliers, we have initiated discussions with other major suppliers and consumers. The results have so far been modest. Much more needs to be done. It will be increasingly difficult for us to sustain our policy unilaterally unless there is more rapid movement toward a meaningful multilateral effort at restraint.

Sixth, regional arms control arrangements and capabilities should be expanded and strengthened.

Regional arms control is at a very primitive stage. Few negotiations are underway. Only a few nations have the technical competence required to verify agreements. Many of the techniques, like confidence-building measures which increase predictability and lessen the fear of sudden attack, are largely untried.

For our part, in Europe, the United

States and our allies have recently taken an initiative to get the 5-year-old MBFR [mutual and balanced force reductions] talks moving. And we are considering additional measures to increase stability and security in central Europe. In still another region, while we have proposed and commenced talks with the Soviet Union on arms limitations in the Indian Ocean, increases in the Soviet naval presence there have hampered those talks.

Beyond our own negotiations, the United States would like to stimulate regional arms control efforts by offering others assistance with verification and stabilizing measures.

- Our experience in the Middle East has demonstrated that technical assistance with monitoring systems, such as aerial photography and ground detection devices, can help create the confidence necessary to make disengagement and stabilizing agreements work.

- Building on that experience, we are prepared to consider joint requests for these "eyes and ears of peace" from countries that want such monitoring services. Such requests should come preferably via regional organizations or the United Nations.

- The United States is prepared to provide specialists who can help other nations find ways to use confidence-building and stabilizing measures, including notification of maneuvers, invitation of observers to maneuvers, and U.N. machinery to promote such measures.

Seventh, we should fully develop the institutions and expertise required for arms control.

We must continue to strengthen U.N. arms control institutions without undercutting those institutions we have developed. While we are prepared to consider changes in the CCD, our major concern is to insure the continued, productive activity of a serious negotiating body operating by consensus.

The peacekeeping and peacemaking capabilities of the United Nations and of regional organizations like the Organization of American States and the Organization of African Unity should be an integral part of arms reduction efforts. The role of such regional organizations is critical to minimize intrusion by outsiders. We encourage a strong and prominent role for these organizations.

The United Nations plays an essential role. At this moment U.N. forces in Lebanon, Cyprus, the Golan

Heights, and Sinai are making it possible for negotiations to move toward lasting peaceful settlements.

To make these U.N. efforts even more effective, we propose the establishment of a U.N. peacekeeping reserve force. Such a force would comprise national contingents trained in U.N. peacekeeping methods and earmarked by their governments for U.N. duty. This peacekeeping reserve would be drawn upon by the Secretary General whenever the Security Council decided to establish a U.N. force to maintain international peace and security.

There is also a critical national dimension. Every government must strengthen the institutions and expertise needed for arms control. Let each of us resolve at this session that our nations will examine the priority which we now give disarmament in

The tremendous expenditure of resources devoted to building military strength stands in the path of development today.

organization, budgets, and personnel.

Eighth, progress in arms control agreements should release additional resources for economic and social development.

Collectively, we have the capacity to eliminate the worst vestiges of poverty from the world by the end of the century. The tremendous expenditure of resources devoted to building military strength stands in the path of development today. The developing countries share of world military expenditures has grown from 15% to 23% in the last decade. The developing nations are now spending a greater portion of their GNP for military purposes than the developed countries.

Just 1% of the world's annual military budget would be enough to provide food and a healthy development of 200 million malnourished children today. Let us, through the work of this conference, begin to turn the world's resources from ever-growing stockpiles of destruction to ever-growing opportunities for life.

Arms control agreements can help free the economies of industrial as well as developing nations to solve pressing social problems. We realize the vast potential of the American economy. The American people have no more fervent wish than to turn

more of that potential from the manufacture of arms to the fulfillment of human needs.

As nations conclude arms control agreements and show restraint in arms expenditures, the United States favors reallocating funds to development projects which previously were earmarked for military assistance.

Our ability to redirect funds for development hinges on the willingness of other nations to limit their current arming of developing nations. If the United Nations is to deal effectively with the problems of development we cannot have countries pouring arms into the developing world while at the same time devoting minimal funding to development assistance. We cannot have nations using their military power to exploit differences between nations and to exacerbate serious conflicts.

My country for years sought to limit military shipments to Africa. Our economic development assistance far outstrips the amount of military assistance we have provided. In 1977, the United States contributed \$327 million in economic assistance to African nations, compared to only \$59 million in military aid. This record, with its special emphasis on funding for food, stands in marked contrast to the predominant military assistance extended by others. Our orientation represents, I believe, a far better contribution to the long-term future of the people of Africa. The choice here is one of encouraging the constructive and creative capabilities of the developing world or of encouraging those tendencies which generate conflict. Let us place our hopes in development.

Our recognition of the relationship between disarmament and development should inform and give urgency to all our arms control objectives. In addition:

- We strongly support the U.N. study of disarmament and development. This study should include consideration of the economic problems which may result from disarmament;

- We favor efforts to reduce military expenditures and have volunteered to provide our own accurate information on national military expenditures to a U.N. pilot project testing a method to measure such expenditures; and

- We encourage others to be equally open. Greater openness about military expenditures is a necessary companion to arms restraint. Over time, openness can gradually replace

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ear with trust, promote confidence, encourage self-restraint, and eliminate needless sources of conflict.

The Challenge

Thirty-three years ago, President Harry Truman addressed the first delegates to the United Nations at their meeting in San Francisco. And he said: "By your labors at this Conference, we shall know if suffering humanity is to achieve a just and lasting peace."

That is our challenge at this special session. The world watches what we do here, and mankind's deepest hopes rest with us today. The success or failure of our efforts will determine, more than any other endeavor, the shape of the world our children will inherit, or whether they will inherit a habitable world at all. And it is their interests which unite us today.

No matter what nation we are from, no matter what our political philosophy, our children are 100% of our future. We owe them 100% of our efforts to halt the arms race today.

Arms control must not be the agenda only of this session or this year alone. It must be the moral agenda of our time. Our work must be kept in full view of the world community. We need the pressure of world opinion to give urgency to our task. And that is why the United States calls on this conference to follow up our efforts with another special session of the General Assembly in 1981. Let our next meeting monitor the progress we have made. And let it press upon us the agenda of issues which we must still solve.

The challenge of controlling the arms race is awesome. But Emerson said we measure a man's wisdom by his hope. Let us proceed with hope today. I am confident that if each of our nations can look beyond its own ambitions; if, in the work of this conference, we can bridge the distances of geography and history and fear; and if all of us can bring to our efforts the deepest yearnings of the peoples we represent, then we shall serve all the world's children with our labors and, in the words of Isaiah, the work of righteousness shall be peace. □

by Douglas J. Bennet, Jr.

The emergence of Congress as a force in foreign policy is a good thing for two reasons.

First, we are likely to get better policy. Policy made in a vacuum of secrecy and without the diversity of judgment and political experience Congress represents is, in my opinion, less likely to represent the true interests of the United States and also less likely to work in the world at large.

This does not mean that Congress should engage in the day-to-day business of conducting American diplomacy. That is not its function, and it is not equipped for it. It does, however, mean that the fundamental directions of American policy and our commitments in the world should be challenged and tested by Congress just like any domestic policy.

The second benefit of Congress' new participation in foreign policymaking is that it provides some hope of developing a public consensus which will support active American participation in this changing world. Not only are policies scrutinized by Congress more likely to reflect the public will, but Members of Congress, once engaged in the policymaking process, are better able to teach and lead their constituencies through the intricacies of foreign policy in a world where the United States is neither chief policeman nor economic tsar.

Finally, if Congress really does contribute actively to policy formulation and if it really does help educate the public, the result should be greater stability and predictability in American foreign policy—a benefit not only to us but to the entire world. Our allies should find us more predictable, and our enemies will definitely find us stronger as a nation.

The Senate debate on the two Panama Canal treaties provided an important test of the resurgent Congress and public diplomacy.

For 10 weeks, the U.S. Senate debated the Panama Canal treaties. Every line negotiated by the executive branch with the Panamanian Government was subjected to minute scrutiny. The value of every concession we received from the Panamanians—and the wisdom of every concession we

granted them—was debated in detail and in the open. The debates were broadcast over nationwide radio here in the United States and simultaneously in Spanish in Panama. The Senate showed the American people and the world what it can do with a major foreign policy issue.

I am a strong partisan of the treaties and have worked hard to insure their ratification. I am also a strong partisan of the Senate and the entire Congress. But the test before the Senate went far beyond its decision on this contentious issue.

Can it debate our future relations with Panama, allowing for a reasonable amount of rhetorical excess, without so insulting the Panamanian Government and people that a satisfactory relationship will be impossible whether or not the treaties were adopted? I don't care what the issue is—whether it is Panama Canal treaties or human rights in Argentina or trade with Japan or national defense. A Congress which seeks to exercise its legitimate authority on foreign policy must obviously insure that its deliberations are helpful rather than damaging to U.S. national interests abroad.

Next, do congressional procedures work well enough? If the Congress is to play a major role in foreign policy, it must do so in a way that inspires confidence—at home and abroad—in our ability to move with changing times.

Not only the two-thirds vote on treaties, but many other Senate procedures are designed to protect the interests of the minority even if it is a minority of one. In our system, I believe this is healthy. There are many Americans who heard the Senate at work for the first time, however—and many foreigners who know their own security and livelihoods depend on the ability of the United States to conduct its foreign policy in a rational, orderly way—who could well find the procedures of the Senate confusing and uncertain. The same goes for the Congress as a whole.

Finally, can Congress really help educate the American public to the realities of this changing world?

Because of the live radio coverage and the intense division over the

¹For text of address on Oct. 4, 1977, see BULLETIN of Oct. 24, 1977, p. 547.

Panama treaties, the public had a chance to learn more than most people could conceivably want to know about the Panama Canal. This, I believe, is a large part of the reason why the polls indicated public attitudes turning in favor of the treaties.

But what about more complicated and more subtle issues of economics and defense which do not attract so much public attention? Congress, as a foreign policy participant, has an enormous teaching job to do back home in helping to build a consensus that America can and should play a forceful, positive role in the changing world.

These cautions should not be read as criticism; they are not. By and large, I think the Senate did a thoroughly responsible job with the Panama treaties. I believe the entire Congress is capable of grappling with the issues I have mentioned today and many more. It is precisely because our Congress is now deeply engaged in foreign affairs that the United States has the institutional basis for moving with the times in a changing world; for avoiding unbridgeable rifts between foreign policymakers and the people; for projecting an all-important image of stability and predictability to the rest of the world. □

Excerpted from an address before the Sam Rayburn Public Affairs Symposium, East Texas State University in Commerce, Texas, on Mar. 28, 1978; Mr. Bennet is Assistant Secretary for Congressional Relations

EAST ASIA: U.S. Combat Forces in South Korea

Statement by President Carter

Peace and stability on the Korean Peninsula and in Northeast Asia are vital to our national interest. This nation is fully determined to maintain its commitment to the Republic of Korea (ROK).

In announcing my decision to withdraw our ground combat forces from Korea over a 4-5 year period, I stressed that it was essential to improve South Korea defense forces so as to confidently maintain an adequate military balance on the peninsula. I also announced that we will take other measures to maintain that balance, including increasing our air force in Korea in October of this year. I also asked the Congress last October to ap-

prove a program to help strengthen South Korean military capabilities, particularly legislation to authorize the transfer to South Korea of a significant portion of the equipment of our department in ground combat forces.¹

In view of the crowded legislative calendar, and also because of other matters concerning Korea, there is a possibility that the Congress may not act now on this proposal. In the light of this development, I believe it prudent to adjust the scheduled withdrawal.

- The redeployment of noncombat elements will continue on schedule; 2,600 such personnel will be removed by December 31, 1978.

- One combat battalion from the 2d Division will be withdrawn from Korea in December; however, the

other two combat battalions of the brigade slated for withdrawal this year will remain in Korea until 1979.

- The plan to increase the U.S. air forces in Korea will not be changed.

Peace and stability in Northeast Asia are vital to our national interest. I urge the Congress to enact as soon as possible the authorization for \$27 million in foreign military assistance credits for the ROK, which I have also proposed, and to move expeditiously to deal with the \$800 million equipment transfer legislation. □

Made on April 21, 1978 (text from Weekly Compilation of Apr. 24).

¹ For text of President Carter's message to the Senate and the House of Representatives (Oct. 21, 1977, see BULLETIN of Dec. 12 p. 852.

EUROPE: Visit of Romanian President Ceausescu

President Nicolae Ceausescu of Romania made a state visit to the United States April 11-17. While in Washington (April 11-14), he met with President Carter and other government officials. Following is the text of the joint declaration signed by the two Presidents on April 13.¹

The President of the United States of America, Jimmy Carter, and the President of the Socialist Republic of Romania, Nicolae Ceausescu,

Having noted with satisfaction that the political, economic, scientific, cultural and other relations between the two countries have developed significantly in recent years,

Having determined to take further steps to expand bilateral relations and cooperation, to build security and develop cooperation in Europe, to strengthen international peace and security and to seek solutions for the manifold issues confronting the world,

Agreed on the following Declaration:

- I. They reaffirmed the commitment to continue the development and expansion of relations between the two countries on the basis of the Joint Statement signed in Washington on December 5, 1973 and of the Joint Statement on Economic, Industrial and Technical Cooperation between the United States of America and the Socialist Republic of Romania of the same date. These relations are based on the purposes and principles of the

United Nations Charter and of the Declaration on Principles Guiding Relations Between Participating States of the Final Act of the Conference on Security and Cooperation in Europe, and consistent with these, particularly of the following interrelated principles:

The right of each state to existence, freedom, independence and national sovereignty;

The equal rights of all states, irrespective of their size, level of development and political, economic and social systems;

The right of each state freely to choose and develop its political, social, economic and cultural system;

The right of each people to decide its own destiny;

Refraining from the threat or use of force inconsistent with the purposes of the United Nations;

Respect for territorial integrity and inviolability of frontiers;

Non-intervention, direct or indirect for any reason whatever, in the internal affairs of any other state;

Peaceful settlement of international disputes;

Observance of and promotion of respect for human rights and fundamental freedoms, including all the conditions required for a free, dignified and prosperous life;

Cooperation among states in order to promote world peace and security and economic and social progress.

II. They stated their joint determination:

To continue meetings at the high-level and consultations at other levels, and to encourage interchanges between members of legislatures and representatives of local administration.

To promote and facilitate the expansion of trade and economic cooperation between the two countries, taking into account Romania's present status as a developing country.

To promote the reduction of tariff and non-tariff barriers to trade in conformity with the Agreement on Trade Relations between the two countries, and to seek to increase the volume and diversify the structure of mutual trade.

To seek ways to put existing non-discriminatory trade relations on a more stable and long-term basis, in particular through the renewal of the Agreement on Trade Relations.

To encourage the development of cooperation activities, including joint ventures and cooperation in third markets, contracts and interchanges between American firms and Romanian economic organizations, participation in specialized exhibitions in both countries, increased exchange of economic information and data and other measures for the implementation of the Long-Term Agreement on Economic, Industrial and Technical Cooperation, signed in 1976; and to support in this respect the activities of the Joint American-Romanian Economic Commission and of the United States-Romanian Economic Council.

To cooperate in the settlement of humanitarian issues, including family reunification, in the spirit of mutual understanding and good will.

To promote cultural and scientific exchanges under the terms of the Agreement on Cooperation and Exchanges in the Cultural, Educational, Scientific and Technological Fields of 1974, as well as relations and contacts between institutions, organizations and citizens of the two countries, and to encourage tourism in order to increase mutual understanding and friendship between the two peoples.

1. They also expressed their joint determination:

1. To strengthen and make irreversible the process of detente in Europe and throughout the world.

2. To work for ensuring opportunities for all countries, big or small, to contribute to the settlement of complex world issues on the basis of equality.

3. To promote the settlement of all disputes among states by peaceful means and the elimination of the threat of use of force.

4. To contribute actively to the full implementation of all the provisions of

ROMANIA—A PROFILE

Geography

Area: 91,699 sq. mi. (slightly smaller than N.Y. and Pa. combined).

Capital: Bucharest (pop. 1.9 million).

Other Cities: Constanta (290,226), Iasi (284,308), Timisoara (282,691), Cluj-Napoca (262,421), Brasov (262,041).

People

Population: 21.7 million (1977 est.)

Annual Growth Rate: .9%.

Density: 236 per sq. mi.

Ethnic Groups: 88% Romanians, 8% Magyars, 2% Germans.

Religions: Orthodox, Roman Catholic, Calvinist, Lutheran, Jewish.

Languages: Romanian, Hungarian, German.

Literacy: 98%.

Life Expectancy: 69 yrs. (males); 72 yrs. (females).

Government

Official Name: Socialist Republic of Romania.

Type: Communist.

Date of Constitution: Aug. 21, 1965.

Branches: *Executive*—President (Chief of State), Prime Minister (Head of Government), Council of Ministers. *Legislative*—unicameral Grand National Assembly (349 members) and its Council of State. *Judicial*—Supreme Court.

Political Party: Romanian Communist Party.

Suffrage: Universal over 18; compulsory.

Administrative Subdivisions: 40 Counties (includes city of Bucharest).

Economy

GNP: \$27.8 billion (1976).

Annual Growth Rate: 10.5% (1975-76).

Per Capita Income: \$1,300 (1976).

Agriculture: Land—63%; labor—36%; products—corn, wheat, oil seeds, potatoes.

Industry: Labor—40%; products—power, mining, forestry, construction materials, metal production and processing, chemicals, machine building, food processing, textiles.

Natural Resources: Oil, timber, natural gas, coal.

Trade: *Exports*—\$7.02 billion (1977): foodstuffs, lumber, fuel, manufactures.

Imports—\$7.02 billion (1977): machinery, equipment, rolled steel, iron ore, coke and coking coal, cotton.

Partners—U.S.S.R., F.R.G., G.D.R.

Official Exchange Rate: 4.47 lei=US\$1.00.

Membership in

International Organizations

U.N. and most of its specialized agencies, Council for Mutual Economic Assistance (CMEA), Warsaw Pact, GATT, Danube Commission, Interpol.

Principal Government Officials

Romania: President and Chairman of the Council of State—Nicolae Ceausescu; Minister of Foreign Affairs—Stefan Andrei; Ambassador to the U.S.—Nicolae M. Nicolae.

United States: Ambassador to Romania—O. Rudolph Aggrey.

Taken from the Department of State's March 1978 edition of the BACKGROUND NOTES on Romania. Copies of the complete NOTE may be purchased for 50¢ from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 (a 25% discount is allowed when ordering 100 or more NOTES mailed to the same address).

the Final Act of the Conference on Security and Cooperation in Europe and to promote the multilateral process initiated by the Conference. They agreed that the Belgrade Meeting provided a firm basis for continuation of this process; at the same time, they expressed disappointment that it had not been possible to reach agreement on the numerous useful proposals which had been put forward. They agreed to cooperate closely so that the 1980 Madrid Meeting should take effective steps toward strengthening security and developing cooperation in Europe in the fields of economic cooperation, of cultural exchanges and humanitarian problems and of military disengagement and disarmament. They also agreed that the development of friendly and neighborly relations among Balkan countries will be a positive contribution to re-inforcing security and expanding cooperation in Europe.

5. To act resolutely for the adoption of a wide range of disarmament measures, including nuclear disarmament, such as halting the build-up of armaments and reducing military budgets, armed forces and armaments, leading ultimately to general and complete disarmament under effective international control. They endorsed a more effective role for the United Nations in dealing with international disarmament issues and underlined their active support for the Special Session on Disarmament of the United Nations General Assembly.

6. To work toward a more just and equitable international economic order, which should promote the accelerated economic development of developing countries; and to intensify dialogue and cooperation among all countries, directed toward solving major economic problems, on the basis of the principles of equality, equity and mutual benefit.

7. To encourage efforts aimed at a just, comprehensive and lasting peaceful settlement in the Middle East, based on Israel's withdrawal from territories occupied as a result of the 1967 war, respect for legitimate rights of the Palestinian people and insurance of the independence, territorial integrity and security of all states in the region. To this end, they expressed themselves in favor of negotiations among all the interested parties for solving the Middle East situation, with appropriate representation of the Palestinian people.

8. To support the legitimate aspirations of the African peoples for peace, freedom and independence. They reaffirmed the inalienable right of the peoples of Zimbabwe and Namibia to sovereignty and independent development, and the necessity of ensuring, as soon as possible, the transfer of power to the African majority, in the spirit of pertinent United Nations resolutions. They also expressed deep concern about the South African policy of apartheid and racial discrimination and stood for the abolition of these practices.

9. To strengthen the role of the United Nations in the maintenance and consolidation of world peace, in the development of cooperation among all nations, and in furtherance of the principles of international law in the relations among states, through reforming and restructuring the UN system in order to make it stronger and more effective; and to strengthen cooperation between their two countries within the United Nations and other international organizations and conferences.

IV. The two Presidents expressed their conviction that friendly relations between the United States of America and the Socialist Republic of Romania, based on equality, mutual respect and due consideration for their respective interests, serve the cause of world peace, security and cooperation. They reaffirmed their commitment to expand and deepen, both through diplomatic channels and meetings at all levels, the consultations, contacts and exchanges that have become an important and lasting element of their cooperation. □

MIDDLE EAST: Aircraft Sales to Egypt, Israel, and Saudi Arabia

REMARKS TO THE PRESS, SECRETARY VANCE, APR. 28¹

The Administration is today transmitting to Congress formal notification of proposals to sell aircraft to Israel, Egypt, and Saudi Arabia. As indicated in our informal notification last February, the proposed sales involve 75 F-16's and 15 F-15's to Israel, 50 F-5's to Egypt, and 60 F-15's to Saudi Arabia.

These proposals are an important part of our search for peace in the Middle East. They maintain and enhance our close relationship with three key governments in the Middle East. Each of the three countries has a unique contribution to make to the objective of achieving a lasting peace.

As a nation, we have a strong and unshakable commitment to the security of Israel. The proposed sales to Israel will help preserve Israel's ability to defend itself.

The proposed sales to Egypt and Saudi Arabia have been based upon careful analysis of how best to meet their defense needs while maintaining the military balance in the region. These transactions will enhance the confidence in and friendship toward the United States on the part of each of these two countries with which we share vital mutual interests.

The proposed sales make it possible for the United States to maintain its historic commitment to the security of Israel while at the same time developing closer ties with moderate Arab

HUMAN RIGHTS: Cambodia

Statement by President Carter

America cannot avoid the responsibility to speak out in condemnation of the Cambodian Government, the worst violator of human rights in the world today. Thousands of refugees from Cambodia have accused their government of inflicting death on hundreds of thousands of the Cambodian people through the genocidal policies it has implemented over the past 3 years. Witnesses have recounted abuses that include mass killings, inhuman treatment of the supporters of the previous government, the forced deportation of urban dwellers, and the total suppression of recognized political and religious freedoms, as well as deprivation of food and health care for the general population. Summary executions continue in Cambodia today, and fear of the authorities is pervasive.

We support the growing international protest against the policies of this inhumane regime. On April 17 the Canadian House of Commons, in a unanimous motion, expressed the horror of all its members in the acts of genocide carried out in Cambodia and called on all governments which maintain relations with Canada to protest against the slaughter.

In the private sphere, a Norwegian committee supported by leaders of the major Norwegian political parties will hold hearings in Oslo, beginning today, to illuminate through public testimony the tragic situation existing in Cambodia. Amnesty International has issued an appeal to the Cambodian Government to respond to allegations of continuing summary killings in the country. We welcome and applaud these initiatives.

We also welcome the recent action taken by the U.N. Human Rights Commission which, this year, in consequence of a British initiative, adopted by consensus a resolution asking the Cambodian Government to respond to allegations of human rights violations.

The American Government again condemns the abuses of human rights which have occurred in Cambodia. It is an obligation of every member of the international community to protest the policies of this or any nation which cruelly and systematically violates the right of its people to enjoy life and basic human dignities.

¹Text from Weekly Compilation of Presidential Documents of Apr. 17, 1978. For an exchange of remarks between President Carter and President Ceausescu at the welcoming ceremony on the South Lawn of the White House and an exchange of toasts on Apr. 12, see Weekly Compilation of Apr. 17, p. 734 and 738, respectively. For text of the joint communique issued Apr. 17, see Weekly Compilation of Apr. 24, p. 753.

Made on Apr. 21, 1978; text from Weekly Compilation of Presidential Documents Apr. 24.

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s which strongly support the peace process. They reflect our best judgment to the national interest of the United States.

In submitting these proposed sales to Congress on the same day, the Administration is not attempting to place conclusions on the scope of the congressional review or the action by Congress. Indeed, we understand that Congress will want to review these important transactions separately and with great care. We stand ready to facilitate that process.

At the same time, the responsibility of the President for the conduct of foreign affairs requires that he reserve judgment on the ultimate action to be taken until he has had an opportunity to review the action taken by the Congress on the proposals announced today.

STATEMENT BY SECRETARY VANCE, MAY 3²

We welcome this opportunity to discuss with you the Administration's proposals to sell jet aircraft to three Middle East countries—75 F-16's and 15 F-5's to Israel, 60 F-15's to Saudi Arabia, and 50 F-5's to Egypt. We consider these proposals vitally important to the foreign policy interests of the United States. These sales will enhance U.S. relations with three countries that play critical roles in the attainment of two essential foreign policy objectives in the Middle East—the conclusion of a comprehensive peace settlement that will provide the best guarantee for Israel's long-term security and the support of moderate governments that will shape the future of the region.

The three countries involved are each of exceptional importance to American interests. Our commitment to Israel's security and well-being is an enduring imperative of American foreign policy. This Administration, like its predecessors, will remain unswerving in its determination to help Israel meet its security requirements.

Egypt is also crucially important to American interests. Under President Sadat's courageous leadership, Egypt is playing a key role in the search for Middle East peace and in the promotion of moderate policies globally. The United States clearly has an interest in securing Egypt.

Saudi Arabia has consistently demonstrated its friendship toward the United States. Saudi Arabia strongly supports a negotiated settlement for the Middle East conflict. It plays a vital role in promoting a moderate

Arab consensus on the difficult questions of Middle East peace. It is a major stabilizing force in international financial matters and in decisions affecting the pricing and supply of oil.

The aircraft which we propose meet an important need for each of the three countries involved.

Israel is stronger now than at any time in its history. In order to maintain its substantial margin of military superiority in the region, however, Israel will require replacements for aircraft which become obsolescent in the 1980s. The F-15's and F-16's are intended to assure that Israel retains its lead in advanced military technology.

Egypt, having ended its arms supply relationship with the Soviet Union, has not received significant supplies of aircraft or parts in about 3 years. Egypt is understandably concerned about threats both from the west and the south. The F-5's will help Egypt present a credible air defense posture and assure confidence that the United States will assist that country in meeting its legitimate defense needs.

Saudi Arabia needs an adequate air defense system to protect its vast territory, including widely scattered population centers and vulnerable oil facilities. Saudi Arabia, whose armed forces are among the smallest in the region, has a long history of ideological conflict with Iraq. Iraqi forces, well supplied with the most modern Soviet military equipment, will have more than twice the number of combat aircraft as Saudi Arabia in 1983, even after the Saudi F-15's are delivered. Moreover, on three occasions in the recent past, Saudi Arabia has been attacked by forces from South Yemen. The potential threat from this quarter is a matter of continuing Saudi concern.

We are assured that the Saudis intend to use the F-15 aircraft for their own national defense and not otherwise. The Saudis have said that they do not plan to base the F-15's at any location that would threaten or provoke Israel.

In our best judgment, the proposed sales will maintain the basic military balance in the region. Israel will retain the ability to defend itself. Saudi Arabia and Egypt will strengthen their ability to defend themselves against nations determined to undermine regional stability.

It is our conviction that these transfers will support the Middle East peace process. At this delicate mo-

DEPARTMENT STATEMENT

We welcome former President Ford's expressed support on May 4 for the President's proposals for aircraft sales to Israel, Egypt, and Saudi Arabia. Mr. Ford's support is in the best tradition of bipartisanship in key foreign policy decisions.

President Carter and Secretary Vance have often noted that in proposing the sales to Israel and Saudi Arabia they are following through on commitments made by the previous Administration.

The support for the legitimate defense needs of Egypt, the key moderate Arab government in the Middle East process, is also a continuation of support provided by the previous Administration.

Like our predecessors, this Administration believes that the U.S. role in that peacemaking process dictates strong support both for the security needs of Israel and for moderate Arab governments.

Read to news correspondents by acting Department spokesman Kenneth Brown on May 5, 1978.

ment, we need the maximum cooperation, confidence, and trust of Israel, Egypt, and Saudi Arabia. The prerequisite for addressing the hard choices for peace is the feeling of security and confidence on all sides. The creation of these conditions is our prime objective in proposing the aircraft sales.

Of course, approval of these sales will not in itself bring peace to the Middle East. These sales will maintain essential links that permit us to play the fundamental role of a mediator between the parties. On the other hand, failure to proceed with the sales will seriously undercut the American role in the peace process and raise grave doubts about U.S. readiness to work with moderate governments in the region.

I urge the Congress to join the Administration in sending a message to the Middle East that is clearly and firmly supportive of those governments that have committed their countries to a future of peace, to orderly economic progress, and to moderation.

STATEMENT BY PRESIDENT CARTER, MAY 15³

I am deeply gratified by the Senate's decision today which will permit the proposed arms sales to Israel, Egypt, and Saudi Arabia.⁴ That action reaffirms our historic and unshakable commitment to the security of Israel—a commitment which will

continue to have the unwavering support of this Administration and the American people.

At the same time, the Senate vote strengthens our ties with moderate Arab nations who share our goal of peace and stability in the region. We also honor bipartisan pledges made by the previous Administration, as well as my own, to help our friends in the Middle East meet their legitimate needs for self-defense.

The approval of these sales will not violate the arms limitation policy of this Administration, which I announced last May. That pledge to limit arms sales will be met. If and when other nations are willing to join with us in mutual restraint on the sale of conventional weapons, even greater reductions will be possible.

In the meantime, the Senate's action makes it clear that the United States stands ready to provide needed assistance when unrestrained arms sales by other nations pose a threat to the security of our friends and allies.

With this issue resolved, the sharp debate over the proposed sales can now be put behind us. That debate has been among friends who share the same goals. All of us can now concentrate our full attention on finding a sound and just basis for permanent peace.

The United States will continue to play a responsible and active role in the search for peace in the Middle East. We will intensify our effort to help the parties narrow their differences. Our own national interest and moral values permit us to do no less. □

¹Text from Weekly Compilation of Presidential Documents of May 1.

²Made before the Senate Committee on Foreign Relations (text from press release 202 of May 3). The complete transcript of the hearings will be published by the committee and will be available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

³Text from Weekly Compilation of Presidential Documents of May 22.

⁴On May 15, 1978, by a vote of 44 to 54, the Senate rejected Senate Concurrent Resolution 86 to disapprove the President's proposal for the sale of aircraft and related defense articles to Egypt, Israel, and Saudi Arabia.

LETTER TO MEMBERS OF CONGRESS

May 12, 1978

The motion in the Senate next Monday to block all of the proposed aircraft sales to Israel, Egypt, and Saudi Arabia presents a vital test of our national purpose. In the hours before the Senate votes, it is my duty as President to draw attention to the powerful reasons supporting each of the sales and the dire consequences of rejecting them.

Our basic goal is to secure peace, stability, and harmonious relations among the nations of the Middle East. Since becoming President, I and my chief foreign policy advisers have spent more of our time and effort on this subject than any other foreign policy issue.

The number of aircraft proposed for each of the countries has been carefully considered to insure a regional balance, but the decision before the Senate transcends the particular transactions.

The choice is stark and fundamental. Shall we support and give confidence to those in the Middle East who work for moderation and peace? Or shall we turn them aside, shattering their confidence in us and serving the cause of radicalism?

It is my considered judgment that the aircraft sales to Egypt are essential to enable President Sadat to continue his efforts for peace. At great personal and political risk, President Sadat has taken an initiative which has created the best prospects for peace in the Middle East in three decades. With similar risks, he has turned away from a relationship with the Soviet Union and placed his trust in the United States.

To reject the proposed aircraft sale to Egypt would be a breach of that trust. Such a rejection would be a devastating blow to President Sadat, to the military forces of Egypt, to the people of Egypt, and to the forces of moderation in the Middle East.

Saudi Arabia has become a firm friend of the United States. As its influence dramatically expands in the world, Saudi Arabia has been not only a firm supporter of the peace process but a moderating and conciliatory force on a wide range of global issues.

It is beyond challenge that the Saudi air defense system must be modernized and augmented. The United States has an op-

portunity through these proposed sales to enhance its relationship with the Saudis as they take these vital steps to defend themselves against their radical neighbors armed by the Soviet Union. But I must tell you with great gravity that it is an opportunity that we will quickly lose if we do not grasp it immediately.

If the Saudis are forced to run elsewhere to meet their defense needs, it will unquestionably impair the peace process. Moreover, the erosion of confidence will inevitably have a far broader—and adverse—impact on the wide range of issues on which we have been working in close harmony.

The aircraft sales to Israel are a reflection of our strong and unshakeable commitment to the security of Israel. The American people fully understand that our commitment to Israel's survival and security is total, unequivocal, and firmly fixed in our national policy.

The long-term interests of Israel are served by the proposed sales to Egypt and Saudi Arabia. It is in Israel's interest to encourage the forces of moderation in the Middle East, and to promote their close relationship with the United States. It would not serve Israel's interest if we were to fail to keep bi-partisan commitments, made by the prior Administration as well as by mine, to provide aircraft for the defense of Saudi Arabia. It would be against Israel's interest if moderate nations are brushed aside by the United States, opening vast possibilities for the intrusion of hostile influences.

In the end, the national interest of the United States is the issue. On the basis of the most careful and serious analysis of all factors, I am convinced that the proposed sales will enhance U.S. national objectives, contribute to our national security and promote peace in the Middle East.

JIMMY CARTER

Text of identical letters addressed to each Member of the Senate; Speaker of the House Thomas P. O'Neill, Jr.; and Clement J. Zablocki, chairman, and William S. Broomfield, ranking minority member, of the House Committee on International Relations (from Weekly Compilation of Presidential Documents of May 12, 1978).

Visit of Israeli Prime Minister Begin

Prime Minister Menahem Begin of Israel made a private visit to the United States April 30–May 7; he was in Washington, D.C., on May 1. Following is an exchange of remarks between President Carter and Prime Minister Begin at a White House reception honoring the 30th anniversary of the State of Israel.¹

President Carter

It's a great pleasure for me and for Rosalynn to hold this reception for my friends, Prime Minister and Mrs. Begin, and for the distinguished Americans who have joined us today in honor of the 30th anniversary of the State of Israel.

We've just come to the close of the Passover holidays, an annual reminder of the exodus and dispersal of the Jewish people. Since the destruction of the Second Temple led to the Diaspora nearly 2,000 years ago, Jews have said prayer ending with "Next year in Jerusalem."

Through all these years we shared hope of a homeland. The shared hope of a homeland held together in spirit a people who were scattered all over the world. During those 2,000 years, Jews often suffered religious discrimination, persecutions, pogroms, and death. Jews were too frequently treated as strangers, even after living for generations in inhabitants of countries.

After I visited Israel in 1973, I read Arthur Morse's book "While Six Million Died [a Chronicle of American Apathy]," the tragic account of the ultimate in man's inhumanity to man, the Holocaust. Six million people were killed, most of European Jewry. They died not only because of Nazi brutality but also because the entire world turned its back on them during their years of suffering. No country was willing to give the Jews of Europe a home where they could escape from their torment.

Out of the ashes of the Holocaust was born the State of Israel, a promise of refuge and security and of return, at last, to the Biblical land from which the Jews were driven so many hundreds of years ago.

It will always be a proud chapter in the history of our own country that the United States was the first nation to recognize the legal existence of Israel in 1948–30 long, fruitful, sometimes

seemingly short years in history.

George Santayana wrote that, and I quote, "Those who cannot remember the past are condemned to repeat it." The past brutality against the Jewish people throughout the world and the ultimate tragedy of the Holocaust are events that Jews will always remember, but they are also lessons which this country and all the civilized world should never forget.

Through the indomitable will and character of its own people and with the unshakable commitment of the United States to its security, the existence of the State of Israel will insure for all times that the Jewish people will not be condemned to repeat the Holocaust.

The policies of the U.S. Government have been influenced by these indelible memories of the past. We continue to provide substantial economic and military assistance to Israel. We have obtained, this past year, tough antiboycott legislation to protect from discrimination American Jews and American companies doing business with Israel. We champion the human rights of Jews in the Soviet Union and in other nations and encourage their right of emigration.

We do these things because they are right and because they are necessary and because they are true to the traditions of our country.

Many nations have memorials to the Holocaust victims. There is no such formal memorial in the United States. To insure that we in the United States never forget, I will appoint immediately a Presidential commission to report to me within 6 months on an appropriate memorial in this country to the 6 million who were killed in the Holocaust.

We may from time to time have our transient differences with the leaders of Israel [laughter] as we do with leaders of other countries who are our close friends and allies. But we will never waiver from our deep friendship and partnership with Israel and our total, absolute commitment to Israel's security.

The establishment of the nation of Israel is a fulfillment of Biblical prophecy and the very essence of its fulfillment. In the Jewish tradition, 30 stands for the age of strength, and Israel, thank God, is strong.

There is a Jewish saying, "From

strength to strength." And I trust that Israel will indeed evolve from a strength rooted in determination and vigilance to a strength that is reinforced and maintained by a just and lasting peace with its neighbors.

That prospect is coming closer to reality today than at any time since the creation of a State of Israel. We remain deeply committed to help in any possible way to bring the day closer when Israel will live in security and in peace. For 30 years we have stood at the side of the proud and independent nation of Israel. I can say without reservation, as the President of the United States of America, that we will continue to do so not just for another 30 years, but forever.

Prime Minister Begin

Mr. President, our dear friends, may I humbly tell you that today we heard from the President of the United States one of the greatest moral statements ever.

We have always believed in the moral greatness of America. We appeal to it in difficult times. We never lost hope that it will win, because we have always remembered the famous moral precept of our predecessor, Mr. President, Abraham Lincoln, "right makes might."

On behalf of right, we fought for our country and for our liberty. In the 1930's, our people looked for a haven and didn't find it. In the 1940's, they cried out for help and didn't get it. And then we reached the conclusion that if we don't fight and conquer our liberty, nobody will give it to us. So, in the tradition of the American people, we rose to fight. There were the great sacrifices, the suffering, but today is a day of rejoicing. *Vesamachta bechagecha!*

Although in the life of her people for many generations sadness and joy are intermingled, yesterday we remembered the fallen heroes of the ghettos, the helpless, left alone to fight not even for their lives, not even for their liberty but for human dignity and for the dignity of their people, because those lone fighters indeed fought for all humanity.

But today is a day of rejoicing. Thirty years ago, a little flag, blue and white, was hoisted before the eyes of all the nations to see, namely, Judea rose again, Israel will live.

And when we remember what happened until that day—their people, what persecution and humiliation they went through and, ultimately, mass physical destruction, then we can appreciate what an effort was necessary

and was made in order to achieve that day of our national renaissance.

Let us rejoice. The blessing of freedom is incomparable to any other. Only he who lost it can appreciate it. And we had lost it; we regained it with the efforts and the self-sacrifice of our best men. So today, let us remember our heroes who made our victory possible and our independence assured.

Today also, my dear friends, is from another point of view, a day of rejoicing. The President and I just finished a discussion and a private talk, and earlier we had a talk with the Secretary of State.

May I tell you, bringing you good tidings with all my heart, thank God—*baruch hashem*—these discussions and talks are characterized with friendship, with understanding. There is that feeling that America and Israel are inseparable, friends and allies.

Mr. President, we too, as you, hope that there will come a day when our brethren in the Soviet Union will be free to go to the historic homeland of our people. The Jewish people will never give up a fight for liberty and for justice. Never.

Now, Mr. President, ladies and gentlemen, as we rejoice in the achievement of Israel's independence, a holiday not only for the Jewish people but for all free nations, for all women and men of good will, let us rededicate ourselves to the great concepts of our prophets—of human freedom and dignity and justice and the great vision of peace.

Mr. President, we shall go on working for peace with all our heart and all our soul, because we yearn for it and want it. And let us hope that the road for peace will be reopened with your help, Mr. President, as we said to each other just awhile ago.

And now, Mr. President, having heard your most moving words, which we shall never forget, I would like to conclude my remarks with the following short, simple statement: For freedom, for justice, for human progress, and for human dignity, let there be everlasting friendship between the great United States of America and the renewed State of Israel. □

Text from Weekly Compilation of Presidential Documents of May 8, 1978.

NARCOTICS: *International* Control Program

by K. Mathea Falco

I am pleased to be here today to present the Department of State's international narcotics control program appropriations request for FY 1979. Drug abuse has been a serious problem in the United States for over a decade. The Federal Government spends more than \$800 million each year for drug control efforts in law enforcement, treatment, and rehabilitation. The international narcotics control program (INC) budget represents less than 5% of that total expenditure. The challenge of reducing the availability of dangerous drugs in the United States cannot be met solely by efforts within our own borders. It must be addressed as well in the developing nations where illicit drug crops, such as opium and coca, are cultivated and refined into heroin and cocaine.

The President's August 2, 1977, drug abuse message marked a significant shift in drug control policy from primarily a domestic focus to truly a global concept.¹ Victim countries are not only those which suffer the devastating health and social consequences of drug abuse but also those whose political, economic, and social integrity are threatened by the illicit drug traffic. To implement this new, broadened perspective, we are working through diplomatic and program initiatives in key countries to curtail illicit drug production and traffic.

Cooperative Efforts

Major cooperative program efforts are under way with nine countries which are the principal sources of illicit drugs coming into the United States. Because of its devastating impact on the health and welfare of our society, heroin is our primary drug of concern. Mexico continues to be the primary source of illicit heroin, although with the increasing success of the Mexican poppy eradication campaign, its prominence as a supplier is decreasing.

Southeast Asian heroin, produced in the Golden Triangle, is becoming an increasingly important source of heroin for the United States and is already flooding the countries of Western Europe. The South Asian countries of Afghanistan and Pakistan also are of serious concern, because large quantities of opium are harvested there

in remote, mountainous areas which often are not subject to effective central government control. Although most of this opium currently is consumed within the region, the potential for a massive influx of South Asian heroin into the United States is very real. Increasing amounts of South Asian opiates are now reaching Europe.

Current levels of cocaine use do not present a significant public health threat in the United States. However, if cocaine use increases, fatalities, overdoses, and other adverse health and social consequences might increase dramatically. The goal of our international policy is to restrict the usage of cocaine through curtailing its availability.

Bolivia and Peru are the world's two largest producers of coca leaves from which cocaine is derived. Ecuador and Colombia figure prominently in cocaine processing and traffic, and it is in these four countries that our major bilateral cocaine control efforts are presently directed. An estimated 15–17 tons of cocaine reach the United States from South America each year.

Increased emphasis is being placed on working with multilateral and regional organizations to strengthen illicit narcotics production and traffic. Through these international and regional organizations, such as the U.N. Fund for Drug Abuse Control (UNFDAC), the Colombo Plan, and the Association of South East Asian Nations (ASEAN), approaches can be made to countries unresponsive to bilateral overtures by the United States to insure that they do not themselves become victims of the ever-changing patterns of the illicit drug traffic.

U.S. Efforts

During the past year, the Department of State—in conjunction with the President's Strategy Council on Drug Abuse, the White House Office of Drug Abuse Policy, and other domestic drug agencies—has evaluated the complex and difficult issues involved in developing an effective, coherent international drug control policy. As a result of this ongoing evaluative process, the Department has intensified its activities to

veral different fronts, including extended diplomatic initiatives, increased emphasis on demand reduction activities, and long-term research. The Department also has undertaken a major reorganization to improve management efficiency, accountability, and coordination of the international narcotics control program.

Pursuant to this reorganization, the Secretary of State has directed that those narcotics control functions previously performed by the Agency for International Development (AID) be consolidated under the [State Department's] Senior Adviser's Office (S/O) to insure a fuller integration of policy, planning, and implementation. The consolidation in Washington has already taken place; the changes in overseas missions are under way and scheduled for completion by the end of FY 1978. To insure more effective coordination among the principal agencies operating abroad in carrying out programs funded under INC appropriations, liaison officers have been detailed to S/O from the Drug Enforcement Administration (DEA), the National Institute on Drug Abuse, and the U.S. Customs Service.

Complementing this organizational consolidation, the Department is implementing a comprehensive effort in the planning of INC activities on a worldwide basis. In collaboration with the regional bureaus within State and other U.S. agencies, multifaceted approaches will be developed to long-term issues critical in the resolution of the worldwide drug problem, such as integrated rural development and alternative crop identification for primary drug-producing areas, and implementation of a strategic poppy-heroin forecasting system. At the same time, we will maintain ongoing initiatives in improving drug control capabilities in key countries through technical and logistical assistance; training, treatment, and rehabilitation demonstration projects; and by encouraging expanded interregional approaches to drug abuse control efforts.

Our program request for FY 1979 to support these activities is \$40 million. This amount is allocated on a regional and functional basis in the following manner.

	Total	Opium	Cocaine
Latin America	\$21.2	\$13.5	\$7.7
East Asia	7.8	7.8	—
Near East	1.5	1.5	—
Other	9.5	—	—
	<u>\$40.0</u>	<u>\$22.8</u>	<u>\$7.7</u>

The amount shown as "other" includes U.S. contributions to international organizations, substantial training programs designed and implemented by the Drug Enforcement Administration and U.S. Customs Service, the demand reduction program implemented largely through the National Institute on Drug Abuse, and program development and support costs.

Mexico

In assisting the Mexican Government to curtail illicit drug production and traffic, we also seek to strengthen its own long-term narcotics control capability. Both our governments agree on the necessity for joint efforts in eliminating opium production in Mexico and in breaking up major trafficking networks. The Mexican Government wishes to avoid a domestic heroin abuse problem and is acutely aware of the corrosive effects that unrestrained illicit drug trafficking can have on the political and economic stability of their country.

After he first took office, Mexican President Lopez Portillo met with President Carter and affirmed his personal commitment to a greatly intensified effort to curtail illicit heroin production and traffic. President Lopez assigned new narcotics control missions to the Mexican Defense Department in support of Attorney General Flores Sanchez who has overall responsibility for Mexico's narcotics control effort. The Mexican Defense Department is using more than 20,000 troops in the primary poppy growing areas, both to interdict drug traffic and to inhibit planting of the illicit opium poppies.

Dr. Peter Bourne [Special Assistant to the President for Health Issues] and I met twice last year with the Mexican Attorney General, the Secretary of Defense, and other Mexican officials to review our governments' efforts to curtail illicit narcotics production and traffic. At our most recent meeting last December, the Mexicans discussed with us specific elements of their expanded national narcotics control plan, which calls for an intensified eradication and interdiction effort over the next 3 years.

Since 1973, the United States has provided approximately \$50 million in international narcotics control assistance to Mexico. During the past year (FY 1977), approximately 30% of our total program budget, \$13.4 million, was committed to assisting the Mexican effort. An additional \$16.8 million, to meet immediate program

needs, is projected for this fiscal year (FY 1978). This large commitment for 1978 will reduce requirements for FY 1979, and we are, accordingly, requesting \$13.5 million for next year.

The Mexican Federal Government estimates that it spends well over \$40 million annually in its drug control efforts. This figure does not include personnel and resources committed at the state and local levels. The Mexican Attorney General's office employs about 500 enforcement agents, pilots, mechanics, managers, and administrative personnel on a year-round basis in the narcotics control effort. During spring and fall, when the poppy eradication campaigns are intensified, 70% of the Attorney General's approximately 3,000 personnel are devoted to the program.

The Mexicans have also paid a human toll for their efforts. Scores of Mexican enforcement officials and soldiers have been injured or killed during recent years while carrying out drug control activities. Six Mexican federal judicial agents were killed in 1977, and 12 were seriously injured during eradication operations.

During the 1977 poppy eradication campaigns, approximately 47,000 fields of opium poppies (comprising about 14,000 acres) were destroyed. These figures represent an increase of almost 50% over the previous year's eradication effort. An additional 7,847 poppy fields were destroyed in January and February of this year.

The real success of the Mexican effort can be measured in terms of reduced amounts of heroin reaching the United States. DEA estimates that in 1977 the Mexican eradication program prevented the equivalent of more than 10 tons of heroin from entering the United States. The scarcity of heroin supplies in Mexico has resulted in an upward movement of wholesale prices. According to DEA data, heroin purity on our city streets has dropped to the lowest point since 1973 (5%). The increase in heroin retail prices to their highest point on record (\$1.69 per milligram), decrease in purity levels, and the decline in heroin overdose deaths (44% below last year) to the lowest point since 1973 are significant signs of progress.

The Mexican Government is presently reviewing economic and social studies designed to develop alternative sources of income for the remote, poor regions where poppy is grown. The Mexican Government has not sought U.S. assistance for such programs but might turn to international financial institutions or U.N. organizations for necessary support.

Bolivia and Peru

Coca leaf has been grown on the Andean slopes of Bolivia and Peru for thousands of years. Use of the leaf dates from the Inca era when it was chewed by priests during religious ceremonies. It is a deeply ingrained cultural habit which is continued today by perhaps 2 million residents of the region. Although chewing of the leaf is more prevalent in rural, high-altitude areas, coca tea is consumed by virtually all segments of Bolivian society. Bolivia and Peru are the world's two largest producers of coca leaf and both permit legal cultivation.

Bolivia. Bolivia is in the second year of an accelerated program to limit coca cultivation to levels required for legal internal use while strengthening the capability of its enforcement agencies to prevent leakage of the crop to the production of cocaine. Experiments are being conducted with alternative crops to replace coca which will provide the basis for integrated rural development programs in the Yungas and Chapare coca growing regions. Provision of economic alternatives, as well as improvement of existing crops such as coffee and cacao, food processing, and marketing structures will allow Bolivia to implement a phased ban on coca cultivation. As part of this process, Bolivia has recently completed a registry of all coca growers and banned new coca cultivation. We are requesting \$1.8 million in FY 1979 to assist Bolivian pilot rural development efforts in primary coca growing regions. In addition, AID will provide \$8.5 million in rural development assistance to expand the pilot projects.

The Bolivian National Directorate for Control of Dangerous Substances (DNSP) has demonstrated substantial progress in drug enforcement in the last year, particularly in the seizure of cocaine laboratories. The most recent seizure, in February, immobilized principal elements of an international trafficking network.

The DNSP has also placed narcotics enforcement and intelligence units in coca transit and production areas to enforce the ban on new plantings of coca and to control the movement of leaves and processed coca. For FY 1979 we are requesting \$1.7 million to strengthen the DNSP through advisory and training services, communications equipment, vehicles, and a utility helicopter. This will also enable the DNSP to target effectively major trafficking organizations.

Peru. The Government of Peru in

early March promulgated a new comprehensive drug law which prohibits plantings of coca in new areas and requires conversion of larger coca fields to other crops within 3 years. Actual conversion of smaller coca plots probably will depend on the government's ability to provide these subsistence farmers with economic alternatives.

Implementation of the new drug law will be entrusted to a new inter-ministerial body assisted by police units. Our Embassy in Lima is working with the Peruvian Government on a number of projects related to licensed coca production and marketing, illicit crop control, and law enforcement. In FY 1979 we are requesting \$871,000 for coca crop control. We are also requesting continued support (\$566,000) for Peruvian narcotics law enforcement agencies, primarily for training and communications equipment.

Colombia and Ecuador

Ecuador is the receiving point for most of the coca paste headed north from Peru. Much of it arrives overland, carried by all types of conveyances and passengers. Small quantities of the paste are converted to cocaine in Ecuador, but most of it continues to Colombia for further refinement. There it passes into the hands of the professional traffickers. Colombia is the refining and transshipment point for the major portion of cocaine reaching the United States. The income derived by the criminal networks exceeds the national revenue from the export of coffee, Colombia's major source of foreign exchange.

In 1977 the increased commitment of the governments in the major narcotics program countries in the region and a growing professionalism in the better equipped narcotics enforcement agencies resulted in many more significant seizures of illicit drugs and the arrest of key violators. One of the more successful cases in Colombia resulted in the seizure of 1,100 pounds of cocaine base. The Colombian seizures represent a greater quantity of cocaine than the total amount seized in the United States in 1977. Ecuador also showed a substantial rise in cocaine seizures in 1977 over 1976 and a doubling of the amount of processed marijuana seized.

Colombia. In meetings last June, President Lopez of Colombia expressed his personal commitment to joint narcotics control efforts. Last December he established a select narcotics enforcement unit under the At-

torney General, for which we are providing training through DEA. In FY 1979 we are requesting \$180,000 to strengthen the Attorney General's narcotics unit. Assistance funds will continue to be programmed to other law enforcement entities in Colombia so long as they continue to have narcotics control functions. For FY 1979 we are asking \$830,000 for support of such enforcement organizations.

Three helicopters provided the Colombian Government last September have been effectively used, most notably in an October raid where agents seized 1,100 pounds of cocaine base, an aircraft, weapons, several vehicles and arrested a key drug trafficker. More recently, the helicopters were used in a raid which netted 165 tons of marijuana. We are requesting \$300,000 in FY 1979 for continue maintenance and support of U.S. provided helicopters, as well as other aircraft provided by the Government of Colombia.

Ecuador. The United States has provided financial assistance to Ecuador's narcotics enforcement organizations since 1973. Such support has helped that country's antinarcotics effort, and in 1977 drug seizures and arrests by Ecuador's police increased substantially over those in 1976. Beginning in 1978 we have expanded our assistance to include support for the Ministry of Education's campaign to increase public awareness of the drug problem. In FY 1979 we are requesting \$436,000 to assist Ecuador's narcotics enforcement units and \$100,000 for demand reduction efforts.

Mr. Richard Arellano, Deputy Assistant Secretary for Inter-American Affairs, and I have just returned from Quito. While there, we conveyed the high priority which our government attaches to international narcotics control. We were pleased to receive a firm commitment from the Government of Ecuador to cooperate more closely on narcotics matters, while we assured that government of our continued support for such cooperation.

In the coming year, regional cooperation in narcotics control will receive added State Department impetus as we seek to encourage Latin American countries to coordinate their narcotics efforts more closely. Areas of potential cooperation include enforcement, crop substitution, demand reduction, and research efforts. As part of this cooperation, a regional narcotics communications network in South America will be completed and a program inaugurated to foster joint plat-

ing and coordination of operations against international trafficking networks. In FY 1979 we are requesting \$20,000 to support joint regional narcotics enforcement projects in Latin America.

Afghanistan and Pakistan

The cultivation and use of opium poppy is deeply ingrained in the culture of areas of Afghanistan and Pakistan, based on centuries of practice and public acceptance. In contemporary Afghanistan and Pakistan, the opium gum is added to tea or processed to a primitive stage and smoked as a relaxant by a large segment of the older peasant classes or used as a medicine. The poppy straw is used for animal fodder and to strengthen the adobe-type building materials. In certain areas of Afghanistan, opium is the only available form of medication, and the oil and seeds of poppy are used in cooking.

Little or no capability for processing opium into heroin exists in Afghanistan today, and most of the opium leaving the country is smuggled in ton lots across the border into Pakistan and then by animal caravans and vehicles. Estimates which place Afghanistan's domestic consumption of opium at around 100 tons a year are correct, as well as 270 tons of Afghan opium being exported during the coming year.

Afghanistan. The Afghan Government's antinarcotics effort has been mainly directed at the traffickers in opium. In 1977, Afghan authorities seized 13 metric tons of opium. However, police units assigned to antitrafficking duties are undermanned, undertrained, and underequipped. The U.N. Fund for Drug Abuse Control, the principal agency through which international narcotics control assistance is funneled to Afghanistan, is assisting in the development of a more effective interdiction capability. We have supplied training through the Drug Enforcement Administration and the U.S. Customs Service.

A joint commission consisting of representatives of the Afghan Government, the United Nations, and the United States has been established in Kabul to coordinate narcotics control activities. A U.S. development expert seconded to the U.N. Fund for Drug Abuse Control has designed an integrated rural development project for the Upper Helmand opium producing area, which will be financed by international donor countries and financial institutions. This project will provide farmers alternatives to opium cultivation and thus allow the Afghan Gov-

ernment to eliminate opium production from the area. We are requesting \$500,000 to support selected crop replacement and enforcement activities to complement existing multilateral efforts.

During the past year, AID has used side letters with the Afghan Government to require that AID assistance not be used to foster opium cultivation. We received a report from the Afghan Government that in late January it plowed under 70 hectares of opium poppy discovered in one of the project areas.

Pakistan. Pakistan is estimated to have produced 200 tons of opium during 1977, of which 120 tons were consumed locally. The remaining 80 tons finds its way into Iran, Turkey, Western Europe, and the Persian Gulf. As in Afghanistan, Pakistan's opium poppy fields are concentrated in remote border areas where the central government exercises minimal control. Production is centered in the desolate mountainous regions of the North West Frontier Province bordering Afghanistan, where most of the poppy farmers live at a subsistence level with opium as the only cash crop.

Our narcotics control assistance in Pakistan is directed at helping develop the local capability to keep Pakistan opium and its derivatives from entering the international market and to assist in the development of alternative cash crops to replace opium. We are requesting \$850,000 in FY 1979 for the Swabi Tehsil project which will identify economic alternatives to poppy cultivation in that area of the North West Frontier Province. This project will in turn serve as the basis for a large-scale rural development undertaking for which support of other major donor countries will be sought.

Political instability during the past year, which led to the overthrow of the Bhutto government by the military, created conditions which did not allow our bilateral efforts to progress as successfully as we had hoped. As conditions in the country stabilize and the military leadership devotes its attention to the narcotics problem, we expect more vigorous control of both trafficking and production. For FY 1979 we are requesting \$150,000 to equip Pakistan's customs service with vehicles and patrol craft to interdict drugs leaving the country through the Karachi seaport and adjacent coast.

Southeast Asia

Southeast Asian illicit narcotics production and traffic have plagued the

world for decades. Despite the valiant efforts of law enforcement officers around the world, tightly organized international trafficking groups continue to profit from the misery they bring to others in the form of drug addiction. In Southeast Asia, narcotics control efforts are further complicated by traditional political instability and insurgency, creating situations in which illicit narcotics traffic can flourish. Despite these obstacles, however, progress in reducing Southeast Asian narcotics production and traffic is being made. My January visit to Southeast Asia encouraged me that prospects of curtailing the illicit narcotics traffic in that region are more favorable now than at any time in the past.

We are particularly encouraged by two aspects of recent Golden Triangle narcotics trafficking developments: the flow of raw and refined narcotics and the prices at which they are sold. During the last 6 months, shipments of raw or processed opiates from the northern Shan State to the Thai-Burma border refining areas have declined very sharply, accompanied as well by significant decreases from most other parts of Shan State.

These reductions are a result of the aggressive Burmese narcotics eradication and interdiction program, which has drastically reduced opium production and led to the virtual disappearance of the large narcotics caravans so common in the past. Narcotics delivered to the border have been increasingly handled by relatively small-time traffickers dealing in limited quantities. Moreover, unlike previous years of opium surplus, opiate products now reaching the border area go directly into refineries, bypassing storage sites. Despite the decline in border deliveries, the output of processed heroin has remained high, an indication that large stockpiles which had existed for so long are now being drawn down. If these trends continue, the result will be an inevitable drop in the availability of Golden Triangle heroin.

Also encouraging has been the behavior of narcotics prices in the Golden Triangle in the past year. Border prices for narcotics are at their lowest levels in several years. These low prices are an indication that the large stockpiles which had been cached in the border areas are still sufficient to meet current demand. To understand the significance of the low prices at the border refinery area, they must be compared to the price of finished opiates in Bangkok, where prices are up sharply above 1976 levels. The current price differential per kilogram of heroin is nearly \$1,400 between the border re-

finery areas and Bangkok. This compares with a 1976 price differential of slightly over \$700. A price spread of this magnitude indicates the high-risk factor in moving narcotics from the border areas to Bangkok created by aggressive enforcement efforts by Thai police organizations.

Thailand. In Thailand I met with the Prime Minister, the Foreign Minister, and other government officials responsible for narcotics control. During our several meetings, Prime Minister Kriangsak expressed to me his firm commitment to move against the illicit narcotics traffic which transits his country to reach regional and international markets. An important key to suppression of this traffic is cooperation among countries of the Golden Triangle, particularly Burma and Thailand. During our meetings, Prime Minister Kriangsak pledged personally to pursue close cooperation with the Government of Burma.

On a bilateral basis, the Department of State is exploring possible support for a pilot rural development project for the Mae Chaem watershed—an area which produces approximately one-half of that country's estimated annual 50-ton opium crop—scheduled for implementation this summer. The Agency for International Development has requested \$2.2 million for this highland integrated rural development project.

Thailand and the United States have just signed a 5-year agreement under which the United States will provide treatment and rehabilitation assistance for Thai drug addicts. Over the term of the agreement, the Bangkok metropolitan health department addict treatment project will establish detoxification programs at 15 existing public health centers for treating narcotics addicts and will provide training for Thai treatment specialists. The accord marks the first direct U.S. involvement in supporting Thai Government efforts to rehabilitate the estimated 400,000 Thai narcotics addicts.

To assist Thai efforts in FY 1979, we have requested \$1,674,000, slightly more than the \$1,549,000 allotted for FY 1978. About half of these funds (\$866,000) will be used to maintain ongoing cooperative programs with Thai police and customs, particularly in training and communications. A new aspect of our program in Thailand is the Bangkok treatment project mentioned previously, for which we have requested \$274,000 in FY 1979. To support crop substitution efforts we have requested \$400,000 in FY 1979.

Burma. In January, Deputy Assist-

ant Secretary [for East Asian and Pacific Affairs Robert B.] Oakley and I met with Burmese officials and visited drug abuse prevention and treatment programs in Rangoon. We were particularly impressed with the extensive nationwide preventive education campaign being conducted in Burmese schools at all levels.

Our discussions with Colonel Sein Lwin, Minister of Home and Religious Affairs and Chairman of the Burmese Narcotics Control Board, assured us of the strong Burmese commitment to suppress illicit narcotics cultivation and trafficking. We stressed the importance of cooperation with Thailand to increase the effectiveness of suppression efforts.

From Rangoon, I accompanied several high-ranking Burmese enforcement officials to observe large-scale poppy eradication projects under way in the Shan State. As of February 28, more than 8,000 acres of opium poppies had been destroyed this year, eliminating an estimated potential 38 tons of opium from the illicit traffic. Fields from which poppies had previously been eradicated were now planted with food crops such as rice, potatoes, and vegetables by the same farmers who had previously grown poppies. The Burmese did not hesitate, however, to show me areas where illicit poppies were still growing. They pointed out that those fields would also be the subject of their eradication campaigns but that resource limitations would delay their destruction.

Our FY 1979 budget request for Burma is \$6,050,000, an increase of approximately \$1.2 million over FY 1978. This will provide for six helicopters (\$3,800,000), communications equipment (\$250,000), and aircraft maintenance assistance (\$1,940,000) to strengthen the Burmese efforts to curtail illicit narcotics production and trafficking. Three of the requested helicopters will replace those that have crashed. The additional three will strengthen the Burmese capability to locate illicit poppy fields and narcotics refineries.

Malaysia. We have recently agreed to assist the Malaysian Government in a demand reduction project. An American drug abuse adviser will work for a year with Malaysian drug experts to develop a halfway house to rehabilitate addicts after their release from government treatment facilities. At the same time, a three-member training team will work with Malaysian health authorities to train specialists in various aspects of drug treatment and re-

habilitation. Our contribution to a program in FY 1978 will be approximately \$200,000. Requirements for 1979 have not yet been precisely determined, pending results of the initial phase.

U.N. Fund for Drug Abuse Control

As this committee knows, the United States has traditionally been the major financial contributor to the U.N. Fund for Drug Abuse Control. One of the most significant developments this past year was the broadening of the Fund's financial base through major contributions from several countries, particularly the substantial \$5.4 million commitment by Norway for crop substitution in Burma. As a result of these pledges, our contribution to the Fund in 1977 represented slightly less than half of the total financial commitments received. At last month's Commission on Narcotic Drugs meeting in Geneva to which I was the U.S. representative, I expressed our government's pleasure at that development and our hope that major contributions from other countries would continue to reduce the U.S. share. In FY 1979, we are requesting \$3 million for UNFODAC, the same amount as our 1978 contribution.

In Geneva I noted the increasing recognition that contributions from governmental development aid funds are appropriate for UNFODAC projects which further the socioeconomic development of primary narcotics producing areas while at the same time eliminating illicit narcotics crops. Increasing availability of such contributions to UNFODAC requires careful advance planning of projects for submission to potential donors. We have provided the services of a development planning expert to assist the Fund in meeting this need, as with the integrated rural development project being developed in the Upper Helmand Valley in Afghanistan.

Statement before the Subcommittee on Foreign Operations of the Senate Committee on Appropriations on Mar. 21, 1978. The complete transcript of the hearings will be published by the committee and will be available from Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Ms. Falco is Senior Adviser and Director for International Narcotics Control Matters.

¹For excerpts of the message relating to foreign policy, see BULLETIN of Sept. 1977.

OCEANS: Law of the Sea Conference

Elliot L. Richardson

In less than 2 weeks [March 29-May 1978] representatives of 156 countries will assemble in Geneva at the seventh session of the third U.N. Conference on the Law of the Sea to try once again to hammer out a comprehensive treaty.

The last attempt to reach agreement, at the sixth session held in New York last summer, ended in disarray and—on the U.S. point of view—setback and disillusionment.¹ Through the exercise of procedural sleight-of-hand, compromises on the exploration and exploitation of the deep seabed—an issue of paramount import to the United States and a host of other nations—were summarily discarded. These compromises—struck after weeks of painstaking effort and open discussion—were replaced in the negotiating text by provisions developed in secret that are clearly inimical to essential U.S. interests.

Disturbed by this abridgment of due process, and unsure of the advantages of continued participation, I felt constrained to recommend to the President that the United States undertake a searching review of both conference procedures and the substantive matters before it. This review is still in process. It is so advanced, however, that I can now appropriately share with you my principal conclusions which guide my preparations for the forthcoming session.

The first issue to come under scrutiny was the continued desirability of working toward a treaty. In light of encouraging reverses, did the United States still believe that a treaty was in its national interest? The response to this question remains affirmative. We are still convinced that a new magnitude of global order can emanate from successful negotiations on the law of the sea. A treaty deemed just and equitable by the world community can dramatically enhance the prospects for the rule of law.

But commitment alone carries no guarantee of success. Agreement at the seventh session can come only through the exertion of political will and a determination by all nations to forge an accommodation that leaves no nation with its essential interests impaired.

Deep Seabed Mining

For the United States, success of the conference will depend on unraveling the tangle of conflicts surrounding the deep seabed mining issue. More than our essential interests are at stake in this area; there is opportunity here to establish a precedent which can serve as a blueprint for the development of future international institutions concerned with common resources. The deep seabed beyond areas of national jurisdiction contains vast quantities of nodules that can become a major source of the manganese, nickel, copper, and cobalt needed by an increasingly industrialized world.

We support the concept of an International Seabed Resource Authority that would supervise the conduct of deep seabed mining. We believe that revenues stemming from these mining operations should be shared among the nations of the world. Yet the current negotiating text would discourage entry into the deep seabed by those nations which are both able to extract its minerals and have a growing need for them. The text imposes onerous financial conditions, dictates mandatory transfer of technology as a condition of access, and contains several other features which would combine to deter entrepreneurs from investing the \$700–900 million required to bring a single mining site into production.

Our position on mining the deep seabed is clear.

- We accept a dual system of development which will give states and companies, as well as the international Enterprise, reasonable assurance of access to seabed resources. We reject the concept of rigid state centralism projected on a global scale.

- We accept some limitation on production of seabed minerals in deference to the essential interests of land-based producers—but not to the extent that it excessively restricts the availability of resources needed by an expanding world economy.

- We believe that the Authority should be controlled in ways that adequately take into account such factors as production, investment, and consumption—and not be based on the simplistic, ideological platform of one nation, one vote.

There is room for compromise in these positions, but the fundamental concerns they express cannot be ignored. If the final text fails to recognize these concerns, the United States could not become a party to it.

Unfortunately we cannot be confident that we shall be able to achieve our goals. It follows that the United States must stand ready to protect its interests should an unbridgeable split appear in the course of the negotiations.

There is little doubt that mining will begin during the next decade regardless of the outcome of the Law of the Sea Conference. The forces already in motion have an irresistible momentum. The deep seabeds are a new and inviting frontier, ready for exploitation. Technology is becoming increasingly advanced. Should the conference fail to reach agreement on a seabed mining regime, it would be a distortion of the concept of the seabeds as the common heritage of mankind to allow this concept to prevent the development of this important new resource.

On the domestic front, legislation to facilitate the initiation of deep sea mining operations by American corporations is moving through Congress. The Administration favors this legislation—not for use as a club to beat down opposition in Geneva—but in the belief that we must be prepared to provide the necessary encouragement and support to our industry in its development of this new resource whether or not a comprehensive treaty on the law of the sea can be negotiated. I do not, however, anticipate congressional passage of a seabed mining bill until some time after the seventh session closes on May 19th.

Other Major U.S. Interests

Our review has reached certain conclusions regarding other major law of the sea interests.

Navigation and Security Interests. As a global power with extensive interests in the maintenance of high seas freedoms, the United States has placed much emphasis in the negotiations on maintaining those freedoms in the face of unilateral actions that purport to assert national jurisdiction of various kinds over the high seas.

The negotiating text before the conference provides for freedom of navigation through, over, and under international straits by military and commercial vessels and aircraft. It also meets the environmental and safety of navigation concerns of the straits states.

The text makes clear that beyond a 12-mile territorial sea, the high seas freedoms of navigation and overflight and the laying of submarine pipelines and cables and other traditional uses of the sea related to those freedoms shall be fully maintained.

Although our maritime interests and responsibilities would in any case compel us to insist on the exercise of traditional navigational freedoms, it is clear that failure to achieve a comprehensive treaty would entail less stability and higher costs. It is thus our conclusion that a law of the sea treaty which adequately safeguards these freedoms would be clearly preferable.

Fisheries. The United States seeks to secure wide acceptance of international standards for conservation and optimum utilization of marine living resources.

In addition, we have specific and important commercial interests in our own coastal fisheries as well as in salmon, tuna, and species off the coasts of other countries. We are also deeply concerned about the protection of marine mammals. U.S. interests in coastal species within 200 miles are already protected by the Fisheries Management and Conservation Act of 1976. The negotiating text does, however, serve our interests in regard to salmon, tuna, and fisheries off the coasts of other states.

It should be noted, however, that a comprehensive treaty will not of itself fully protect these U.S. interests but rather will foster regional and bilateral agreements. Finally, the negotiating text does promote international recognition of the need to protect marine mammals.

We believe that the understandable and legitimate interests in fisheries of the landlocked and geographically disadvantaged states should be fairly accommodated as part of an overall package.

Continental Shelf. It is estimated that there are significant amounts of exploitable petroleum beneath the continental margin off our coasts. We support the coupling of coastal state jurisdiction over continental margin resources beyond 200 miles with revenue-sharing for the benefit of the developing countries. Although the conference has not yet agreed upon a precise definition of the outer limits of that jurisdiction, we have every reason to believe that such a definition can be negotiated. The open-ended formula now contained in the negotiating text is undesirably vague and might be so interpreted as to lead to excessive claims of jurisdiction.

Without a treaty, the U.S. interest in the resources of the continental margin would nevertheless be protected. A comprehensive treaty, however, would enable us to protect this interest with greater predictability.

Marine Scientific Research. The United States places a high value on the conduct of research on a free and broad basis, accompanied by a maximum flow of information with respect to both the conduct of the research and its results.

Unfortunately, the United States has been unable to find more than minimal support in the negotiations for the creation of a free and open marine scientific regime in the economic zone and on the Continental Shelf. The consequence is that the negotiating text contains undesirably broad provisions requiring coastal state consent for research to be conducted within 200 miles. While the negotiating text introduces a degree of predictability that would make the administration and planning of research easier, it also creates rather complicated conditions for the granting of consent. In weighing the prospective benefits of a comprehensive treaty, therefore, science must be seen as a neutral factor. At a minimum the freedom of research must be maintained beyond the economic zone and on the deep seabed.

Marine Environmental Protection. The United States has a major interest in protecting its coastal areas from all forms of pollution. Regarding vessel source pollution, the negotiating text establishes a mixed system of port state, coastal state, and flag state jurisdiction that, given shipping patterns off our coasts, would afford substantial protection against hazards to the marine environment within 200 miles. It must be noted that the negotiating text gives flag states the right to preempt jurisdiction, albeit with important exceptions. Protection of the marine environment will thus be, in part, a function of the responsible exercise of flag state jurisdiction.

At the same time the negotiating text makes binding on all participating states those standards adopted by the Intergovernmental Maritime Consultative Organization. The treaty also provides protection against pollution from Continental Shelf resource activities, deep seabed mining, and ocean dumping. While a treaty cannot accomplish all of our marine environmental objectives, it would create a useful framework for safeguarding the marine environment.

Global Order. Our review has recognized that agreement on the large

number of issues dealt with by the conference will introduce into the international system a greater measure of stability and predictability and a commitment to peaceful settlement of disputes. The United States shares with the world community as a whole the aim of avoiding chaos and conflict and the utilization of the world's oceans.

If the conference succeeds in negotiating a treaty that serves the specific interests under discussion, it will have further advanced the goal of elimination of conflict in international affairs. Moreover, it will have done largely by the process of consensus, an important precedent in itself.

Alternatives

It follows that the United States must be prepared to protect its interests by other means than a comprehensive treaty if an acceptable treaty proves unattainable. Indeed, it would be irresponsible not to begin consideration of viable alternatives. In the case of deep seabed mining, reciprocal legislation is one such alternative but not necessarily the most desirable. Another possibility—one which might be regarded as more consonant with the concept of the common heritage—would be a multilateral arrangement which all countries could join in which provided for revenue-sharing with developing countries. In the case of other subjects such as military commercial navigation, satisfactory alternatives are less obvious, and we have begun an examination of measures that would become necessary for the protection of these interests should the conference fail to achieve agreement.

Procedural Issues

The law of the sea interests of the United States which I have described can only be served if the conference operates on the basis of open discussion with broad, representative participation. Since the summer of 1977 that objective has been a major concern in a series of interessional meetings. Although a substantial measure of agreement on these procedural matters has been developed, difficult questions remain to be resolved. For this reason and a number of colleagues intend to go to Geneva next week [March 2]. We will discuss these questions with representatives of the Group of 7 which will be meeting there during the same week, in an effort to find accommodations which will prevent any protracted delay in the conference.

In sum, our review of U.S. position

forces our conviction that a comprehensive treaty is the clearly preferred means to promote orderly use of the lands and to insure responsible and careful development of their resources. The world community has before it a regular opportunity to consummate a breakthrough. We are resolved to do everything in our power to make this one to pass. □

ment made to the press on Mar. 16, 1978; Ambassador at Large Richardson is Special Representative of the President for the Law of the Sea Conference.

for a statement to the press by Ambassador Richardson on July 20, 1977, see BULLETIN of July 19, 1977.

The Group of 77 is a caucus of developing countries formed in 1964 at the first U.N. Conference on Trade and Development to present a united bargaining position in their negotiations with industrialized countries

The heads of the four delegations signed a Statement of Principles which will form the basis of the future relationship between the peoples of Micronesia and the United States. Formal documents reflecting this agreement will be prepared in the coming months.

This agreement marks a major breakthrough in the long negotiations to seek agreement on the future status of the Trust Territories.

STATEMENT OF PRINCIPLES²

1. An agreement of free association will be concluded on a government-to-government basis and executed prior to termination of the United Nations trusteeship. During the life of the agreement the political status of the peoples of Micronesia shall remain that of free association as distinguished from independence. The agreement will be subject to the implementing authority of the United States Congress.

2. The agreement of free association will be put to a United Nations observed plebiscite.

3. Constitutional arrangements for the governance of Micronesia shall be in accord with the political status of free association as set forth in these principles

4. The peoples of Micronesia will enjoy full internal self-government.

5. The United States will have full authority and responsibility for security and defense matters in or relating to Micronesia, including the establishment of necessary military facilities and the exercise of appropriate operating rights. The peoples of Micronesia will refrain from actions which the United States determines after appropriate consultations to be incompatible with its authority and responsibility for security and defense matters in or relating to Micronesia. This authority and responsibility will be assured for 15 years, and thereafter as mutually agreed. Specific land arrangements will remain in effect according to their terms which shall be negotiated prior to the end of the trusteeship agreement.

6. The peoples of Micronesia will have authority and responsibility for their foreign affairs including marine resources. They will

consult with the United States in the exercise of this authority and will refrain from actions which the United States determines to be incompatible with its authority and responsibility for security and defense matters in or relating to Micronesia. The United States may act on behalf of the peoples of Micronesia in the area of foreign affairs as mutually agreed from time to time.

7. The agreement will permit unilateral termination of the free association political status by the processes through which it was entered and set forth in the agreement and subject to the continuation of the United States defense authority and responsibility as set forth in Principle 5, but any plebiscite terminating the free association political status will not require United Nations observation.

8. Should the free association political status be mutually terminated the United States' economic assistance shall continue as mutually agreed. Should the United States terminate the free association relationship, its economic assistance to Micronesia shall continue at the levels and for the term initially agreed. If the agreement is otherwise terminated the United States shall no longer be obligated to provide the same amounts of economic assistance for the remainder of the term initially agreed. An early free association agreement based on the foregoing eight principles shall be pursued by the parties. □

¹Read to news correspondents by acting Department spokesman Tom Reston on Apr. 10, 1978.

²Issued on Apr. 10; list of representatives deleted.

Letter of Credence

On April 6, 1978, the following newly appointed Ambassador presented his credentials to President Carter:

New Zealand—Merwyn Norrish. □

PACIFIC: Micronesia

DEPARTMENT STATEMENT¹

An interagency team led by Ambassador Peter R. Rosenblatt, the President's personal representative for Micronesian status negotiations, met with the leadership of the three Micronesian Political Status Commissions in Hilo, Hawaii, April 7-9, 1978:

The Congress of Micronesia Commission on Future Political Status Transition;

The Marshall Islands Political Status Commission; and

The Palau Political Status Commission.

UNITED NATIONS: *Namibia*

STATEMENT BY FOREIGN SECRETARY JAMIESON¹

I have the honour to address this ninth session of the General Assembly on behalf of the Governments of France, the Federal Republic of Germany, the United Kingdom, the United States, and Canada. Our five countries, members of the Security Council, have, over the last year, devoted much attention and effort toward the resolution of the serious issue which is the very reason for our gathering here today; that is the question of the independence of Namibia. We would, therefore, like to present to you our common view of the situation at this juncture and to make known our common belief that an internationally acceptable solution of this problem may well be within our grasp, if all concerned will manifest the necessary determination and political will to put an end to years of injustice in that territory.

With all of you, we have shared the conviction that the international territory of Namibia is illegally occupied by South Africa and that this occupation must come to an end. With all of you, we have shared an intense concern at the extension into Namibia of apartheid and racial discrimination and at the continuing repression of Namibians under that system. Like many of you, we have been concerned that the perpetuation of this deplorable situation would sooner or later affect the political stability of the entire southern African area. It is, therefore, in full accord with the aspirations and objectives of the international community that we undertook, as the members of this international community in the best position to do so, to seek out practical ways and means to end this 30-year-old stalemate.

In the spring of 1977, it became apparent to all of us that the installation of the Turnhalle constitution, as it was called, was imminent. The adoption of legislation to bring it into effect, forecast for June 1977, would have resulted in the unilateral establishment of a government based on ethnic groups and excluding participation by any political party, and most importantly by one of the major political movements in the territory, SWAPO [South West African People's Organization]. Such an action, it was

clear, would not result in an internationally acceptable solution to the Namibian question and would, furthermore, by dividing the population of Namibia among itself on an ethnic basis and by ignoring the aspirations of its people for true independence and unity, lead to increased violence. It would have perpetuated the unsatisfactory situation which has prevailed in that territory.

Security Council Resolution 385

In the face of this dismal prospect, our five countries decided to make a concerted effort to investigate whether, by means of the existing relations between themselves and South Africa, it might not be possible to find a practical way of implementing Security Council Resolution 385 which was adopted unanimously.² That resolution comprises the most comprehensive approach ever adopted by the Council to the desired resolution of the Namibian problem.

The General Assembly will recall that Resolution 385 embodies in its terms the following essential elements.

- It calls for free elections under the supervision and control of the United Nations to be held for the whole of Namibia as one political entity in order that the people of Namibia may freely determine their own future.

- It envisages the establishment of the necessary machinery within Namibia by the United Nations for the supervision of such elections and of conditions which would enable the people of Namibia to organize politically for the purpose of such elections.

- It envisages the withdrawal of the illegal administration of South Africa and a transfer of power to the people of Namibia with the assistance of the United Nations.

- It demands that South Africa, in the interim, comply with the provisions of the Universal Declaration of Human Rights; release all Namibian political prisoners, abolish the application of all racially discriminatory and politically repressive laws and practices; and accord unconditionally to all Namibians currently in exile for political reasons full facilities for return to their country without risk of arrest, detention, intimidation, or imprisonment.

From the outset, our five govern-

ments have recognized that we had a mandate to enter into negotiations to make any agreements regarding Namibia. We were acting as a result of the responsibilities which we have as members of the U.N. Security Council. We have acted as an informal contact group, and it has been our intention—clearly expressed to all parties—to bring this exercise within the scope of the Security Council at the earliest feasible time.

The Negotiating Process

I believe it would be useful for me to provide to the Assembly a restatement of our experience over the past months and of the evolution of the matter.

At the outset, our efforts were greeted with mistrust and suspicion on all sides and, in particular, on the part of the principal interested parties, the Government of South Africa and SWAPO. Indeed, each was convinced that our efforts were designed to deliver Namibia into the hands of the other without regard for their interests or for the interests of the Namibian people as a whole. I wish to emphasize this fact as it serves as a benchmark for measuring the distance which we have come since that time and that distance is very considerable.

On April 7, 1977, our five governments presented to South African Prime Minister Vorster an *amiable* *memoire* expressing our belief in the necessity for a Namibian settlement keeping with Resolution 385 and thereby acceptable to the international community. We emphasized that activities of the Turnhalle conference [South African-sponsored constitutional conference held in Windhoek, Namibia, beginning September 1977] did not meet those standards and formed the Government of South Africa that, in the absence of an internationally acceptable solution, five would be obligated to consider very seriously the measures to be taken. Initially, the South African Government indicated that it would be willing to engage in further talks with the five governments but that it would not interfere with the Turnhalle process.

After further informal exchange, the five determined it would be necessary for them to form a contact group and to embark upon more detailed discussions with South Africa on the possibilities of moving toward the stated objectives. To this end, a contact group comprising senior officials of our governments and including sen-

In late November and early December, the contact group carried out an exhaustive round of consultations and discussions with African countries in a position to assist in the effort to bring about a negotiated settlement in South Africa. During the period November 11-December 12, they met in the respective capitals with President Nyerere of Tanzania, Foreign Minister Chissano of Mozambique, President

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Apart from the talks with the principal parties, ministerial-level consulta-

tions also took place with the Secretary General and his officials. We also held discussions with the Foreign Ministers of the frontline states present in New York—Mr. Mwale of Zambia, Mr. Mkapa of Tanzania, Mr. Mogwe of Botswana—and with senior representatives or Ambassadors of Angola, Mozambique, Nigeria, Mauritius, and Gabon. Also during this period delegations from other Namibian parties traveled to New York and were received by officials of the five governments. The exercise was discussed with them in considerable detail, and their views and concerns were presented to my colleagues and myself.

At the conclusion of the February talks, our five governments were convinced that the proposal which had been put to the parties during the talks embodied in its elements a very reasonable means of implementing Resolution 385 in a manner which took into full account the real and the perceived concerns of each and in a manner which could bring about in the very near future a resolution of the Namibian question. There, nonetheless, remained certain areas which demanded further study on our part and further consultations with various parties. Certain of the provisions required clarification or improvement in drafting. This process of clarification was an extremely complicated one and required numerous exchanges between our capitals, with the principal parties through Embassies, with some African states, and with the Secretary General. Our proposals were finalized at the end of March and were presented to the interested parties on March 29 and 30. They were circulated as document S/12636 of the Security Council on April 10.

Concerns of South Africa and SWAPO

I have taken the time to describe this process in order that all should understand the measure of intense diplomatic activity that has been involved in this consultation process. We wish to pay tribute to the seriousness and conscientiousness of the participation and the constructive attitude which has emerged on the part of all with whom we have dealt. Whatever their initial hesitations, they have, for the sake of Namibia's future, suspended to a degree their suspicions and have sought to identify, in practical terms, their concerns and the means by which those concerns might be met while taking account of—though not necessarily accepting—those of others.

In terms of substance, initially each of the parties was preoccupied by the conflicting legal and political positions on this issue. At the outset of the initiative the five were only too well aware that, as it was these contradictory legal positions which had for more than 30 years impeded any progress toward the resolution of the Namibian situation, it was essential to neither endorse nor challenge the position of any party but rather to seek, without prejudice to that position, a practical means of implementing the provisions of Resolution 385. Our proposal, therefore, at no point takes any stand which prejudices a long-held legal or political position; rather it moves between questions of legality as the only effective way to bring about a resolution of the issue.

The positions of South Africa and SWAPO have evolved substantially since April 1977. South Africa, originally unwilling to contemplate any alternative to the Turnhalle concept, has come to accept, in the context of an internationally acceptable solution, far-reaching measures involving U.N. involvement in a manner as to guarantee the impartiality of the electoral process and the necessity of full arrangements to insure that there will be no intimidation from any source during that process. In the proposals which it put forward in December 1977, South Africa acquiesced in the general concept, and in many specifics, of the approach embodied in our proposal. Up to the present time there have remained some crucial areas of disagreement, including the number and location of the residual element of the South African forces. On these issues, as on others, however, there has been a considerable narrowing of the differences between the parties.

On the SWAPO side there has been as well considerable evolution since the exercise was undertaken. SWAPO's initial position was that the South African administration in its entirety should be removed from the territory. SWAPO was convinced that elections could not be held in the presence of South African forces, that the symbolic presence of even one South African soldier would provide a counterproductive psychological climate in the territory.

At the last round of discussions with SWAPO, SWAPO had come to accept, without prejudice to its legal position or to that of the United Nations, that it was possible to envisage an election process free of intimidation in the presence of the de facto administration as long as the South African military presence were reduced to a maximum

of 1,500 and confined to one base in the south of the territory, and as long as the police were appropriately monitored and supervised and that the tasks were undertaken by a substantial U.N. civilian and military force. SWAPO, furthermore, indicated a readiness to envisage the release of Namibians wherever they are held in the context of an internationally acceptable solution. SWAPO has, furthermore, emphasized its commitment to participate in free and fair elections under U.N. supervision and control and to abide by the results of such elections.

Elements of the Proposal

I would like to describe very briefly the essential elements of our proposal for a settlement of the Namibian question. On the basis of Resolution 385, we consider that the key to an internationally acceptable transition to independence is free elections for the whole of Namibia, as one political entity, with appropriate U.N. supervision and control. To that end, we will seek the establishment of a substantial U.N. presence, both civilian and military, which we have tentatively called the U.N. Transition Assistance Group (UNTAG), to be led by a U.N. special representative, appointed by and responsible to the U.N. Secretary General. Working together with the South African Administrator General, the special representative would have his primary task to satisfy himself that all conditions exist to insure free and fair elections. Thus, he would see to it that all repressive measures or regulations are repealed, all freedoms restored, and all Namibian political prisoners or detainees, wherever held, released so that they can participate fully and freely in the electoral process.

Free elections cannot be held in conditions of repression; neither can they be held in conditions of insecurity or intimidation. Until an independent Namibia assumes responsibility for its own security, the international community must insist that there be adequate means to assure law and order and the overall security of the territory. The proposal calls for a comprehensive cessation of all hostile acts. It makes provision for the maintenance of law and order and for the introduction of a military section of a U.N. Transition Assistance Group combined with the phased withdrawal of all but 1,500 South African soldiers. These 1,500 men will be restricted to one or two bases and monitored by the United Nations pending their withdrawal. We would argue for a firm and specific

date to insure observance of the provisions of the agreement.

We believe these positions are adequate for security. But they will obviously have to be applied in light of evolving conditions. It is our hope that the parties and the surrounding States will take the necessary measures to ensure that the security provisions of the proposal are strictly adhered to. For our part, as members of the Security Council, we would view with grave concern any actions during the transitional period that could threaten the security of Namibia and its prompt achievement of independence, and we would act accordingly.

Once the elections have been held, the constituent assembly will be able to consider the remaining steps toward independence, including the drafting of the future constitution for Namibia.

The Assembly will note that this proposal places its full confidence in the ability of the United Nations to discharge the substantial and complicated tasks involved in assisting the process of Namibian elections and transition to independence. We believe that the United Nations will show itself equal to the task. The important role that it will play in guaranteeing the stability and integrity of the territory with the cooperation of the de facto administration can result in the impartial process which is envisaged. It is important to be aware that initially some Namibian leaders were skeptical about the ability of the United Nations to undertake this task with impartiality. We believe that they have been persuaded that on each occasion that the United Nations, under the guidance of the Secretary-General, has been involved in a process either of peacekeeping or of assisting a territory to achieve independence, it has done so with competence and impartiality. The proposal calls for free and fair elections in accordance with Security Council Resolution 385 and it is to this task that the United Nations Transition Assistance Group will address itself.

The General Assembly will have noted that we have omitted from our proposal the difficult question of Walvis Bay for the reason that we see no way of settling the question in the context of the present negotiations. We are strongly, however, of the view that the issue should not delay the long-sought-after independence of Namibia. We consider that all aspects of the question of Walvis Bay must be subject to discussion between the South African Government and the elected Government of Namibia. We have, furthermore, obtained assurances that the strength of

the South African force in Walvis Bay will not be increased during the transitional period and that Namibians in Walvis Bay will be able to participate in the political life of the territory during the transitional period, including voting in the elections.

The Governments of Canada, France, the Federal Republic of Germany, the United Kingdom, and the United States give our unreserved backing to the proposal which we have transmitted to the Security Council. We believe that the proposal provides an effective and pragmatic basis for implementing Resolution 385 while taking account of the interests of the parties involved and of the special circumstances associated with the decolonization of Namibia. So far as we are concerned, South Africa's presence in Namibia is illegal and must be ended. At the same time, we have to recognize the facts of life: that South Africa controls and remains in Namibia and has done so for 60 years. The proposal is the result of lengthy and intensive consultations with the interested parties.

Our five governments are now presenting this proposal, not as a basis for negotiation but as a practical means of implementing Resolution 385 and, therefore, bringing about the independence of Namibia in an internationally acceptable manner and in the very near future. We believe it is essential now to proceed urgently in order to forestall any counterproductive developments which might precipitate an internal settlement with all the repercussions for peace in the area that would follow and which would result in the continued suffering of the Namibian people.

We are fully aware that our proposal will, in one element or another, cause difficulties to the principal parties. Nonetheless, in our discussions, we have narrowed the differences between the parties to the point that the reasonable middle ground has clearly emerged. It has been embodied in our proposal. It is now a question of political will; South Africa, SWAPO, and all other Namibian groups must decide whether to accept this proposal as a means for an early and peaceful resolution of the question or face the tragic alternative of many years of violence and turmoil.

We must appeal to all members of this Assembly to devote their energy to what is possible. We are not asking anyone to sacrifice principles; we are not advocating the perpetuation of current abhorrent practices. On the contrary, we urge all members of the international community to seize this opportunity to bring to a very early end

what we have repeatedly condemned in this hall. We wish to see within the next few months the people of Namibia—all of the people of Namibia—enjoy their fundamental right to a peaceful, freely determined, and viable existence within an independent and sovereign Namibia. We, for our part—and we hope with the assistance of every member of the international community—will continue to exert every effort to this end. Let us not fail to answer the call of the Namibian people in their hour of need.

Shortly before arriving in this hall this morning, I was informed that formal acceptance of our proposal by the South African Government was communicated to our Ambassadors in Cape Town. As our five governments have not had sufficient time to study the statement made by Prime Minister Vorster in South Africa's Parliament, we do not propose to comment on it at this stage, except to welcome this important development in the position of one of the main parties concerned.

TEXT OF PROPOSAL FOR A NAMIBIAN SETTLEMENT³

I. Introduction

1. Bearing in mind their responsibilities as members of the Security Council of the United Nations, the Governments of Canada, France, the Federal Republic of Germany, the United Kingdom and the United States have consulted with the various parties involved with the Namibian situation with a view to encouraging agreement on the transfer of authority in Namibia to an independent government in accordance with resolution 385 (1976), adopted unanimously by the Security Council on 30 January 1976.

2. To this end, our Governments have drawn up a proposal for the settlement of the Namibian question designed to bring about a transition to independence during 1978 within a framework acceptable to the people of Namibia and thus to the international community. While the proposal addresses itself to all elements of resolution 385 (1976), the key to an internationally acceptable transition to independence is free elections for the whole of Namibia as one political entity with an appropriate United Nations role in accordance with resolution 385 (1976). A resolution will be required in the Security Council requesting the Secretary-General to appoint a United Nations Special Representative whose central task will be to make sure that conditions are established which will allow free and fair elections and an impartial electoral process. The Special Representative will be assisted by a United Nations Transition Assistance Group.

3. The purpose of the electoral process is to

elect representatives to a Namibian Constituent Assembly which will draw up and adopt the Constitution for an independent and sovereign Namibia. Authority would then be assumed during 1978 by the Government of Namibia.

4. A more detailed description of the proposal is contained below. Our Governments believe that this proposal provides an effective basis for implementing resolution 385 (1976) while taking adequate account of the interests of all parties involved. In carrying out his responsibilities the Special Representative will work together with the official appointed by South Africa (the Administrator-General) to ensure the orderly transition to independence. This working arrangement shall in no way constitute recognition of the legality of the South African presence in and administration of Namibia.

II. The Electoral Process

5. In accordance with Security Council resolution 385 (1976), free elections will be held, for the whole of Namibia as one political entity, to enable the people of Namibia to freely and fairly determine their own future. The elections will be under the supervision and control of the United Nations in that, as a condition to the conduct of the electoral process, the elections themselves, and the certification of their results, the United Nations Special Representative will have to satisfy himself at each stage as to the fairness and appropriateness of all measures affecting the political process at all levels of administration before such measures take effect. Moreover the Special Representative may himself make proposals in regard to any aspect of the political process. He will have at his disposal a substantial civilian section of the United Nations Transition Assistance Group, sufficient to carry out his duties satisfactorily. He will report to the Secretary-General of the United Nations, keeping him informed and making such recommendations as he considers necessary with respect to the discharge of his responsibilities. The Secretary-General, in accordance with the mandate entrusted to him by the Security Council, will keep the Council informed.

6. Elections will be held to select a Constituent Assembly which will adopt a Constitution for an independent Namibia. The Constitution will determine the organization and powers of all levels of government. Every adult Namibian will be eligible, without discrimination or fear of intimidation from any source, to vote, campaign and stand for election to the Constituent Assembly. Voting will be by secret ballot, with provisions made for those who cannot read or write. The date for the beginning of the electoral campaign, the date of elections, the electoral system, the preparation of voters rolls, and other aspects of electoral procedures will be promptly decided upon so as to give all political parties and interested persons, without regard to their political views, a full and fair opportunity to organize and participate in the electoral

process. Full freedom of speech, assembly, movement and press shall be guaranteed. The official electoral campaign shall commence only after the United Nations Special Representative has satisfied himself as to the fairness and appropriateness of the electoral procedures. The implementation of the electoral process, including the proper registration of voters and the proper and timely tabulation and publication of voting results will also have to be conducted to the satisfaction of the Special Representative.

7. The following requirements will be fulfilled to the satisfaction of the United Nations Special Representative in order to meet the objective of free and fair elections:

A. Prior to the beginning of the electoral campaign, the Administrator-General will repeal all remaining discriminatory or restrictive laws, regulations, or administrative measures which might abridge or inhibit that objective.

B. The Administrator-General shall make arrangements for the release, prior to the beginning of the electoral campaign, of all Namibian political prisoners or political detainees held by the South African authorities so that they can participate fully and freely in that process, without risk of arrest, detention, intimidation or imprisonment. Any disputes concerning the release of political prisoners or political detainees shall be resolved to the satisfaction of the Special Representative acting on the independent advice of a jurist of international standing who shall be designated by the Secretary-General to be legal adviser to the Special Representative.

C. All Namibian refugees or Namibians detained or otherwise outside the territory of Namibia will be permitted to return peacefully and participate fully and freely in the electoral process without risk of arrest, detention, intimidation or imprisonment. Suitable entry points will be designated for these purposes.

D. The Special Representative with the assistance of the United Nations High Commissioner for Refugees and other appropriate international bodies will ensure that Namibians remaining outside of Namibia are given a free and voluntary choice whether to return. Provision will be made to attest to the voluntary nature of decisions made by Namibians who elect not to return to Namibia.

8. A comprehensive cessation of all hostile acts shall be observed by all parties in order to ensure that the electoral process will be free from interference and intimidation. The annex describes provisions for the implementation of the cessation of all hostile acts, military arrangements concerning the United Nations Transition Assistance Group, the withdrawal of South African forces, and arrangements with respect to other organized forces in Namibia, and with respect to the forces of SWAPO. These provisions call for:

A. A cessation of all hostile acts by all parties and the restriction of South African and SWAPO armed forces to base.

B. Thereafter a phased withdrawal from

Namibia of all but 1500 South African troops within 12 weeks and prior to the official start of the political campaign. The remaining South African force would be restricted to Grootfontein or Oshivello or both and would be withdrawn after the certification of the election.

C. The demobilization of the citizen forerunners, commandos, and ethnic forces, and the dismantling of their command structures.

D. Provision will be made for SWAPO personnel outside of the territory to return peacefully to Namibia through designated entry points to participate freely in the political process.

E. A military section of the United Nations Transition Assistance Group to make sure that the provisions of the agreed solution will be served by all parties. In establishing the military section of UNTAG, the Secretary-General will keep in mind functional and logistical requirements. The Five Governments, as members of the Security Council, will support the Secretary-General's judgment in his discharge of this responsibility. The Secretary-General will, in the normal manner, include in his consultations all those concerned with the implementation of the agreement. The Special Representative will be required to satisfy himself to the implementation of all these arrangements and will keep the Secretary-General informed of developments in this regard.

9. Primary responsibility for maintaining peace and order in Namibia during the transition period shall rest with the existing police forces. The Administrator-General to the satisfaction of the United Nations Special Representative shall ensure the good conduct of the police forces shall take the necessary action to ensure suitability for continued employment during the transition period. The Special Representative shall make arrangements when appropriate for United Nations personnel to accompany police forces in the discharge of their duties. Police forces would be limited to the carrying of small arms in the normal performance of their duties.

10. The United Nations Special Representative will take steps to guarantee against the possibility of intimidation or interference with the electoral process from whatever quarter.

11. Immediately after the certification of election results, the Constituent Assembly will begin to draw up and adopt a Constitution for an independent Namibia. It will conclude its work as soon as possible so as to permit whatever additional steps may be necessary prior to the installation of an independent Government of Namibia during 1978.

12. Neighbouring countries shall be requested to ensure to the best of their abilities that provisions of the transitional arrangements, the outcome of the election, are respected. They shall also be requested to afford the necessary facilities to the United Nations Special Representative and all United Nations personnel to carry out their assigned functions and to facilitate such measures as may be desirable for ensuring tranquillity in the border areas.

ADDRESS BY AMBASSADOR McHENRY⁴

I have only a few remarks to make. They are in the nature of general comments about where we are in a search for a resolution of a problem with which many of you and your country have been dealing for more than 30 years and to which I have devoted almost constantly the last year of my own life.

I think all of you know that roughly a year ago the five Western members of the Security Council [Canada, France, West Germany, United Kingdom, and the United States] undertook to see what they could do to bring about an internationally acceptable settlement of the question of Namibia. It's not generally known how that initiative started. The fact is that Andrew Young [U.S. Permanent Representative to the United Nations], in one of his early initiatives, invited some African and nonaligned members of the United Nations to an evening morning breakfast. It was one of the early morning breakfasts which he had. He asked them what could we do in the Namibian question. He said he didn't want more resolutions; we needed a serious undertaking.

In response, the African and the nonaligned members there, stated that as necessary to enter into some kind of discussions with the South African Government. However, they said, you have to do it, you Western members of the Council have to do it. You have to do it because you are the ones who maintain communication with both groups. We don't maintain any kind of communication." They said, "You have to do it without asking us for any kind of mandate, because if you come to us for a mandate, we will give you one which so binds your hands that you will never get free where. You go ahead and undertake it." And so we did, with the encouragement of the African and nonaligned members of the Security Council and with the encouragement of the President of the United States.

We talked with the four other Western members of the Security Council and formed ourselves into what we called a contact group. We've been referred to by many names since, some more favorable and many unfavorable. I guess the name which has caught on in the international community, if not in South Africa, is to refer to us as the "group of five." I hope our final days will not be as uncomfortable as the infamous "gang of four."

In our efforts we have tried not to favor any group. We have

tried to use our middle position role to talk with the South West Africa People's Organization (SWAPO), the South African Government, and the Democratic Turnhalle Alliance (DTA), the South West African National Union (SWANU), and with any other organization which we felt had an interest and a role to play in this undertaking. We have not been guided by favoritism toward any group but by one overriding goal: We want the people of Namibia to elect their own leaders under conditions of free and fair elections.

We were fortunate—I think more fortunate than persons working on this subject will ever be in the future—that the U.N. Security Council had passed U.N. Security Council Resolution 385. It was not the usual one-sided resolution of the General Assembly on this subject but one of those efforts similar to that breakfast discussion at the Waldorf Astoria when there was an effort to treat, objectively, the criteria which were necessary for a resolution of this question. We have been fortunate to work with a resolution which enjoyed the unanimous support of the Security Council.

A year has passed during which we have suffered many wounds. I understand from reading the South African press that I have been fired from my own position many times. We believe we have finally concluded a set of proposals which can lead to free and fair elections under which the people of Namibia can express themselves and hopefully get on with the jobs before them of governing themselves; the very difficult tasks of building a nation, developing themselves economically, politically, and culturally; and of learning to work together.

Contact Group Proposals

I would be the first to say to you that the proposals which we have put together after a year of work are not perfect. If Don McHenry were writing these proposals without regard to the views of others, I might write very differently from what they are now. But I would suggest to you that in their current form, the proposals represent the best effort which we can make in the current situation toward reconciling the differences which exist. I leave to you to speculate whether under changed circumstances—more time for example—we might be able to get improved proposals from the South African point of view or from the view of SWAPO, the DTA, or the Namibian National Front (NNF) or any number of the other groups. My own view is that

such speculation requires the dangerous use of a crystal ball. The future possibilities are likely to be more difficult and to introduce more complexities. The possibility of drastically improved proposals, without unacceptably high additional cost, is not great.

I hope, therefore, that the South African Government and the other parties will consider these proposals as a whole, not in their parts. They should not pick out those things which are uncomfortable and ignore those things which are valuable. The proposals represent an effort to reconcile sometimes irreconcilable differences. We hope those proposals will be weighed and that the parties will conclude, as we concluded, that on balance they represent the best that can be done in the current situation.

Alternatives

But it is not enough simply to look at what can be done in the current situation. We must also look at the alternatives. I would ask you, and I would ask all of the participants, to consider the alternatives. As I look at the alternatives, there is no question in my mind that these proposals are those which ought to be accepted by the parties at this time. With doubts, to be sure, with question marks, to be sure, and with concern about uncertainties here and there. Uncertainties are going to be there and they would be there if we worked on these proposals for another 10 days or for another 10 years. What we have to do is to consider what, on balance, they mean and what are the alternatives.

The alternatives to me are clear. We can continue with the current situation in the territory, with its constant increase in violence and the constant introduction of such new complexities as the unfortunate and deplorable murder [on March 27, 1978] of Chief Kapuuo [president of the DTA]; the unfortunate and deplorable series of incidents which resulted in the murder of four Ovambo; the increase in violence which is taking place on the northern border; and the increase in distrust in a situation of unbelievable existing distrust. We can continue along that path, and I can guarantee you that that is the path of further violence, further distrust, and further difficulty in resolving this question.

There is another alternative, a very attractive alternative. That is to go the so-called internal route, to say that we know what the people of the territory want, even though the people of the territory have never, so far as I know,

Let me make one final point. There exists in Namibia, in South Africa, and among the parties, the most amazing amount of distrust I have ever perceived. If the South African Government looked up at the sky outside this morning and said it was raining, SWAPO and a good many other people I know would say that it must be a damn lie; the sun must be shining. If SWAPO looked outside on a bright,

WESTERN HEMISPHERE: *Secretary Vance Visits Mexico*

Secretary Vance visited Mexico May 3-5, 1978, and met with President Lopez Portillo and other government officials on May 4. Following are a joint news conference by Secretary Vance and Secretary of Foreign Relations Santiago Roel on May 4 and the text of a U.S.-Mexico joint communique issued the same day.

JOINT NEWS CONFERENCE¹

I think this is extremely important. In addition to that, the political com-

It seems to me that free and fair elections are the only way to guarantee or to provide some chance for Namibia

mittee, which Secretary Roel and I participate in, gives us an opportunity to exchange views on a great variety of issues, not only affecting the hemisphere but also other important matters dealing with global problems.

The Government of Mexico is playing an ever increasingly important role as a leader in international affairs. It is extremely helpful for us to be able to exchange views on these issues so that we may work together in international fora to try and cope with the problems and hopefully lead us a little further down the road to a more peaceful world.

Finally, may I express my thanks to Secretary Roel and all of my colleagues for their kindness and warmth of their reception and for very helpful and fruitful discussions which we have had.

Secretary Roel. We are in basic agreement with the statement that has been made by Mr. Vance. We have finished a very important conversation with President Lopez Portillo. So last night when we had the honor of receiving Mr. Vance and the members of his party in the name of the Government of Mexico, we felt the same

and this part of the world to develop an atmosphere of peace. The time is late. The decisions must be made now. We can go along the roads of certainty, the internal settlement or a continuation of the current situation. They are the roads of certain violence. Or, we can take a chance and risk the road to peace. The road of peace will be difficult at best. I would suggest to you that the two other roads are impossible.

¹Statement at the U.N. General Assembly Ninth Special Session on Namibia made on 25, 1978, on behalf of the contact group Namibia (Canada, France, West Germany, United Kingdom, and United States) by Canadian Secretary of State for External Affairs Donald Jamieson.

²For text of the resolution adopted Jan. 1976, see BULLETIN of Feb. 23, 1976, p. 2.

³U.N. doc. S/12636 of Apr. 10, 1978; list of transmittal and annex not printed here.

⁴Address before the Cape Town Press Club, Cape Town, South Africa, on May 1, 1968 (text from USUN press release 32 of May 1, 1968). Donald F. McHenry is Deputy Representative to the U.N. Security Council.

friendship which was established during the state visit paid by President Lopez Portillo from the 14th until the 19th of February 1977 to the United States. The consultative mechanism which is composed of three committees—the economic committee, the cultural committee, and the political committee—has worked well.

Of course, all human actions have the possibility of being perfected, but the relationship that has been established by both of us since then has been an intercommunication of our experiences and particularly an interdependence between the two countries. We can say, from the point of view of Mexico, that our sovereignty has remained firm, as always, and that the great concepts on which our commerce was based was, of course, first and foremost, the desire for freedom on the part of our country, democracy, individual and social justice. I thank Mr. Vance for what he said; I thank the members of his delegation; I thank Mrs. Vance who honored us with her presence.

There are issues between the two countries—one of them is the sale of natural gas, Mexican natural gas, to the United States; another is the undocumented workers in the United States, Mexican workers; and finally, in the context of the U.S. enormous trade deficit, purchase of oil from abroad. In view of the vast reserves that Mexico is said to have, are any of these issues been discussed in the meetings today with the Secretary of State of Mexico—foreign affairs—and with the President?

Secretary Vance. Let me deal with one by one. The issue of natural gas did not arise. It is natural that it would not. As you know, we in the United States are in the midst of a debate on our energy bill. One of the important aspects of that is the question of gas prices within the United States—our domestic prices. Under the circumstances, until that debate is completed, it would not be appropriate for us to discuss this with others outside of the United States.

The question of undocumented workers did come up for discussion. This has been a matter which has assumed a great deal of attention by the consultative mechanism and its committees. As you know, a number of studies are going on at this point both in Mexico and in the United States which bear upon this question. We have agreed to exchange the results of those studies which will be mutually beneficial. In addition, as I believe many of you know, the President of the

United States has sent forward to the Congress of the United States legislation which deals with this issue. Hearings have just commenced in our Congress, and I assume that these hearings will continue for quite a long period of time.

I believe your last question had something to do with oil. Would you repeat it?

Q. In view of the context of the trade deficit of the United States, a large part of which has to do with imports of oil, and in view of Mexico's said-to-be large reserves of petroleum, was this question discussed at all in your meetings with Secretary Roel and with the President?

Secretary Vance. The subject was commented on in general terms, but let me say the two key things which are necessary from the standpoint of the United States at this point is to get on with an energy bill which will provide the necessary framework for cutting back on the consumption of oil in the United States.

In addition to that, it is incumbent upon the United States for us to take action in the inflation field. And I'm sure you all know that the President has spoken out on this and has introduced an anti-inflation program which I believe is going to be not only important but effective.

Q. You talked about concrete results from these meetings. Could you give us some examples?

Secretary Vance. If you had a chance to read the joint report, I think you will see a wide number of concrete items that have been accomplished in the last year in each one of the areas and the subareas—namely, in the area of the economic working group, in the social group, and in the political group. In addition to that, we signed today three treaties, one dealing with the question of maritime affairs and boundaries, the second with extradition; and third was the tourism agreement. I think this is going to be important to both of our countries and will bring benefit to both of them.

Q. Every once in a while, the Mexico City newspapers raise the question on the *bracero* program, its pros and cons and so forth and its feasibility. There seems to be some feeling here that a renewal of the *bracero* program on a very large and very regimented basis would be a more feasible response to the problem of illegal aliens than would be the amnesty currently being discussed in Washington. My question is this: Is there any serious discussion

going on right now in Washington over the renewal of the *bracero* program on a large-scale basis? If not, why not? And if so, when and what do you think would be the final outcome?

Secretary Vance. The answer to your question is a very simple one: no. The President made this very clear, that there is no intention to reinstitute the *bracero* program. The reason for it is, in part, the fact that the President has put before the Congress a comprehensive program which deals with the problem of undocumented workers in a balanced and thoughtful way. We will be addressing our attention to that bill and the reaction of the Congress to it.

Q. I would like to ask a question of both of the Secretaries. Secretary Roel, you spoke about keeping firm the sovereignty of Mexico. I wonder what you meant by that? Could you explain it in a bit more detail?

And to Mr. Vance, it is said that Mexico may sell oil to Cuba and that there may be a gas pipeline for Central America. How does the United States view these two possible projects that Mexico has?

Secretary Roel. Yes, I did mention the word sovereignty because historically Mexico has always continued with its struggle to maintain its sovereignty firm. In a state of law such as the one that prevails in Mexico, one of the important concepts of legal philosophy—which comes from Bodino both as a concept and as a word—sovereignty is something which we can consider in the form of a triangle. Sovereignty must be had, it cannot be divided, and it cannot be ceded to anyone else.

President Lopez Portillo, after he took office on the 1st of December, 1976, very clearly stated in his inaugural address precisely that Mexico would always maintain the principles in international policy which are the product of our history and which you know very well—self-determination, nonintervention, the peaceful resolution of conflicts, and the sovereign equality of states. He added two other very important things. The treaties at international conventions—in accordance with the rights of peoples—maintain a principle, and this principle is to respect the good faith of the contracting parties.

But he also added two golden rules which are very important: to maintain friendship with all countries of the world and not to ask any country for what, under equal circumstances, Mexico is not willing to grant. Within that context, the sovereignty of

Mexico, clearly established by international policy and by our own theses which come from the historical experience of Mexico—in this respect I can state that the sovereignty of Mexico has been kept firm within a relationship of perfect interdependence with the United States of America.

Secretary Vance. I believe I was asked two questions. One related to the potential sale of oil to Cuba by Mexico, and the second related to the possibility of Mexico building a pipeline to Guatemala. Both of these decisions are obviously decisions that can and should be made by the Government of Mexico.

Q. In the light of the upcoming visit of the Mexican President to the Soviet Union, did you brief him on your recent experience with the Soviet leaders, and, furthermore, did you ask him to add to the American policy toward the Soviet Union?

Secretary Vance: Let me answer your first question. I don't understand the second one. The answer is yes, I did discuss with both President Lopez Portillo and with Foreign Secretary Roel the subject of my recent trip to the Soviet Union and the various discussions that I had with the Soviet leaders during that period of time. I also expressed my views with respect to the general nature of East-West relations and the general tone of character of our relations with the Soviet Union. I don't understand the second question.

Q. Did you ask him to support the American policy?

Secretary Vance. The decision of what the Government of Mexico says or doesn't say is clearly their decision to make.

Q. I'm just a bit puzzled by why the Governments of Mexico and the United States should be exchanging all these studies on the question of undocumented migrants when the U.S. Government appears to have made up its mind about what its policy should be. I'm just wondering to what extent the Administration is willing to take into account Mexico's position on the subject—above all, its apparent opposition to the proposals as they now stand.

Secretary Vance. This has always been a common economic and social problem, and one on which we certainly have been taking into account each other's views. That has been the case in the past and, of course, will continue to be the case in the future.

JOINT COMMUNIQUE²

The Secretary of State of the United States, Mr. Cyrus R. Vance, made an official visit to Mexico on May 4, during which he was received in a special audience by the President of the United Mexican States Licenciado Jose Lopez Portillo, and held conversations with the Secretary of Foreign Relations of Mexico, Licenciado Santiago Roel, on various bilateral and multilateral subjects of interest to both governments.

In the course of their conversations at the Secretariat of Foreign Relations, Secretary Roel and Secretary Vance reviewed the results achieved by the consultative mechanism between Mexico and the United States, established by Presidents Lopez Portillo and Carter during their meeting in Washington in February 1977. They concentrated on matters dealt with by the consultative mechanism, and they selected priority areas for the future work of the mechanism. The two Secretaries approved a joint report for Presidents Lopez Portillo and Carter on the work of the consultative mechanism during its first year of existence. In their conversations, Secretary Roel and Secretary Vance were accompanied by Mexican and United States officials who preside over the working groups of the consultative mechanism on economic and social matters.

Among the most important subjects considered by the two Secretaries were trade, investment, financial questions, tourism, and the serious problem of Mexican undocumented workers. Both Secretaries agreed that, if temporary differences exist regarding the method of solving specific problems, the general state of relations between the two countries is excellent.

Secretary Roel emphasized the importance for Mexico of assuring access for Mexican products to United States markets under fair conditions. Secretary Vance, for his part, gave assurances that the Government of the United States was determined to avoid any protectionist tendencies. Also, Secretary Vance expressed his firm conviction that a greater liberalization of international trade could be achieved through multilateral negotiations in good faith. Secretary Roel indicated that Mexico would continue cooperating in liberalizing world trade.

Secretary Vance noted that the United States fully recognizes the right of every country to decide for itself the conditions for admission of foreign investment that are most adequate to its needs. The United States will continue to keep open, without discrimination, access to United States capital markets. Secretary Roel stated that foreign investment has a role to play in Mexican development and that the Mexican Government, in keeping with its priorities, will direct the resources of foreign investment to areas which will provide the best stimulation to Mexican development.

Both Secretaries examined the principal world problems, which place or could place world peace in danger, principally the problem of the Middle East, the arms race, nuclear proliferation, and the need for limitation or prohibition of the use and transfer of certain conventional arms. These measures are even more important

by reason of the capital diverted to these which could be used for the economic and social development.

On these problems, Secretary Vance discussed with Secretary Roel the results of his recent visits to the Middle East, Africa and the Soviet Union.

Both Secretaries exchanged points of view on the efforts that the international community is making to assure that nuclear energy is used exclusively for peaceful purposes, which require not only the strengthening of international safeguard systems, negotiated with the participation of all interested states, but also the adoption of effective means to reduce, and ultimately eliminate, the arsenals of nuclear arms that presently exist.

Other subjects discussed during the conversations related to energy, the fight against drug smuggling and against international crime, as well as other border problems. Among other problems subject to consideration in international forums, they emphasized the importance that both countries give to the adoption of a code of conduct for transnational corporations and to the preparation of an international agreement to prevent and suppress illicit payments in relation to international commercial transactions.

The Secretary of State of the United States and the Secretary of Foreign Relations of Mexico emphasized the importance of promoting the flow of tourism in both directions of maintaining a close cooperation for the development of their respective borders in the common border zone. For this reason, they decided to create a subgroup on border problems under the bilateral consultative mechanism.

Secretary Vance expressed his admiration for the success achieved to date by the Mexican economic stabilization program and reaffirmed that the United States would continue giving help and cooperation.

The two Secretaries signed, on the occasion of the visit of Secretary Vance, the following agreements:

- Treaty of extradition between the United Mexican States and the United States of America;
- Treaty on maritime boundaries between the United Mexican States and the United States of America; and
- An agreement on tourism between the United Mexican States and the United States of America.

Secretary Roel expressed to Secretary Vance, as he had already done through appropriate channels to the Government of Panama the satisfaction of Mexico over the fact that negotiations between the United States and Panama on the Canal, by which Panama would recover the full and complete sovereignty of the whole of its territory, had come to a good conclusion.

Both Secretaries reaffirmed the view that the international community should recognize responsibility for the international protection of human rights, and, in this context, that the

TREATIES: Current Actions

BILATERAL

Antarctica

Recommendations relating to the furtherance of principles and objectives of the Antarctic Treaty. Adopted at Oslo June 20, 1975, at the Eighth Consultative Meeting of Antarctic Treaty.¹

Notification of approval: France, September 8, 1977.

Arbitration

Convention on the recognition and enforcement of foreign arbitral awards. Done at New York June 10, 1958. Entered into force June 7, 1959; for the U.S. December 29, 1970. TIAS 597.

Accession deposited: Kuwait, April 28, 1978.

Aviation

Convention for the suppression of unlawful seizure of aircraft. Done at The Hague December 16, 1970. Entered into force October 1, 1971. TIAS 7192.

Accession deposited: Peru (with a reservation), April 28, 1978.

Convention for the suppression of unlawful acts against the safety of civil aviation. Done at Montreal September 23, 1971. Entered

into force January 26, 1973. TIAS 7570.

Accession deposited: Peru (with a reservation), April 28, 1978.

Protocol on the authentic quadrilingual text of the convention on international civil aviation (Chicago, 1944) (TIAS 1591), with annex. Done at Montreal September 30, 1977.¹

Acceptance deposited: Cuba, May 2, 1978.

Containers

International convention for safe containers (CSC), with annexes. Done at Geneva December 2, 1972. Entered into force September 6, 1977; for the U.S. January 3, 1979.

Proclaimed by the President: April 14, 1978.

Diplomatic Relations

Vienna convention on diplomatic relations. Done at Vienna April 18, 1961. Entered into force April 24, 1964; for the U.S. December 13, 1972. TIAS 7502.

Notification of succession: Nauru, May 5, 1978.

Environmental modification

Convention on the prohibition of military or any other hostile use of environmental modification techniques, with annex. Done at Geneva May 18, 1977.¹

Ratifications deposited: Cuba, April 10, 1978; Denmark, Hungary, April 19, 1978; Sri Lanka, April 25, 1978.

Signature: Laos, April 13, 1978.

Finance

Articles of agreement of the International Monetary Fund. Done at Washington December 27, 1945. Entered into force December 27, 1945. TIAS 1501.

Signature and acceptance: Surinam, April 27, 1978.

Fisheries

Convention for the establishment of an Inter-American Tropical Tuna Commission. Done at Washington May 31, 1949. Entered into force March 3, 1950. TIAS 2044.

Notice of denunciation: Costa Rica, April 27, 1978; effective April 27, 1978.

Protocol amending the international convention for the high seas fisheries of the North Pacific Ocean of May 9, 1952, as amended (TIAS 2786, 5385), with agreed minutes and memoranda of understanding. Done at Tokyo April 25, 1978. Enters into force on the date of the exchange by all the contracting parties of instruments of ratification or approval.

Signatures: Canada, Japan, U.S., April 25, 1978.

Human Rights

International covenant on economic, social and cultural rights. Done at New York December 16, 1966. Entered into force January 3, 1976.²

Ratification deposited: Peru, April 28, 1978.

International covenant on civil and political rights. Done at New York December 16, 1966. Entered into force March 23, 1976.²

Ratification deposited: Peru, April 28, 1978.

American convention on human rights. Done at San Jose November 22, 1969.¹

Ratification deposited: Dominican Republic, April 19, 1978.

Maritime Matters

Convention on the Intergovernmental Maritime Consultative Organization. Done at Geneva March 6, 1948. Entered into force March 17, 1958. TIAS 4044.

Acceptance deposited: Somalia, April 4, 1978.

Amendment of article VII of the convention on facilitation of international maritime traffic, 1965 (TIAS 6251). Adopted at London November 19, 1973.¹

Acceptance deposited: Bahamas, March 22, 1978.

Narcotic Drugs

Protocol amending the single convention on narcotic drugs, 1961. Done at Geneva March 25, 1972. Entered into force August 8, 1975. TIAS 8118.

Accession deposited: Malaysia, April 20, 1978.

Racial Discrimination

International convention on the elimination of all forms of racial discrimination. Done at New York December 21, 1965. Entered into force January 4, 1969.²

Ratification deposited: Luxembourg, May 1, 1978.

Reciprocal Assistance

Protocol of amendment to the inter-American treaty of reciprocal assistance (Rio Pact). Done at San Jose July 26, 1975.¹

Instrument of ratification signed by the President: April 17, 1978.³

Refugees

Protocol relating to the status of refugees. Done at New York January 31, 1967. Entered into force October 4, 1967; for the U.S. November 1, 1968. TIAS 6577.

Accession deposited: Panama, April 26, 1978.

Safety at Sea

Amendments to the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London October 12, 1971.¹

Acceptance deposited: Netherlands,⁴ March 30, 1978.

Amendment to chapter VI of the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London November 20, 1973.¹

Acceptance deposited: Netherlands,⁴ March 30, 1978.

Amendments to chapters II, III, IV, and V of the international convention for the safety of life at sea, 1960 (TIAS 5780). Adopted at London November 20, 1973.¹

Acceptance deposited: Netherlands,⁴ March 30, 1978.

Space

Convention on registration of objects launched into outer space. Done at New York January

and continue to consult on measures to be taken to assure a proper monitoring of individual rights.

Considering ways to strengthen the United Nations as the best instrument for maintaining international peace on a just and equitable basis, both Secretaries took note of the proposals formulated by Mexico and the United States at its end in the committee on the Charter of the United Nations and strengthening of the organization, agreeing on mutual consultation so that each country would know in detail the position that the other was maintaining in international forums.

Secretary Roel and Secretary Vance renewed their decision to keep in close and frequent contact to assure high-level coordination with regard to measures that could affect the two countries. The visit of the Secretary of State to Mexico, the frank and positive nature of his conversations with President Lopez Portillo, Secretary of Foreign Relations Roel and other high Mexican officials have emphasized and strengthened close relations between good neighbors and cooperation which happily exists between Mexico and the United States. □

Press release 213 of May 4, 1978.

Press release 215 of May 4, 1978.

14, 1975 Entered into force September 15, 1976 TIAS 8480.

Accession deposited: Cuba, April 10, 1978

Sugar

International sugar agreement, 1977, with annexes. Done at Geneva October 7, 1977 Entered into force provisionally January 1, 1978.

Accessions deposited: Bolivia, March 27, 1978; Pakistan, April 3, 1978

Telecommunications

International telecommunication convention with annexes and protocols. Done at Malaga-Torremolinos October 25, 1973. Entered into force January 1, 1975; for the U.S. April 7, 1976. TIAS 8572.

Ratifications deposited: Italy, January 23, 1978; Sri Lanka, January 5, 1978; Uruguay, December 15, 1977.

Partial revision of the radio regulations, Geneva, 1959, as amended, to establish a new frequency allotment plan for high-frequency radiotelephone coast stations, with annexes and final protocol. Done at Geneva June 8, 1974 Entered into force January 1, 1976; for the U.S. April 21, 1976. TIAS 8599.

Notification of approval deposited: Netherlands,⁴ December 6, 1977.

Final Acts of the World Administrative Radio Conference for the planning of the broadcasting-satellite service in frequency bands 11.7-12.2 GHz (in regions 2 and 3) and 11.7-12.5 GHz (in region 1), with annexes. Done at Geneva February 13, 1977. Enters into force January 1, 1979.

Notification of approval deposited: France, January 6, 1978.

Terrorism

Convention on the prevention and punishment of crimes against internationally protected persons, including diplomatic agents. Done at New York December 14, 1973. Entered into force February 20, 1977. TIAS 8532.

Accessions deposited: India, April 11, 1978; Peru, April 25, 1978

Trade

Protocol extending the arrangement regarding international trade in textiles of December 20, 1973 (TIAS 7840). Done at Geneva December 14, 1977. Entered into force January 1, 1978.

Acceptances deposited: Egypt, February 14, 1978;⁵ Finland, March 31, 1978;⁵ Hungary, March 8, 1978; Israel, February 22, 1978; Jamaica, February 10, 1978; Korea, Republic of, February 16, 1978; Peru, March 9, 1978; Philippines, February 21, 1978; Poland, February 8, 1978; Yugoslavia, March 22, 1978.

Treaties

Vienna convention on the law of treaties, with annex. Done at Vienna May 23, 1969¹

Notification of succession: Nauru, May 5, 1978.

U.N.—Privileges and Immunities

Convention on the privileges and immunities of the United Nations. Done at New York February 13, 1946 Entered into force September 17, 1946; for the U.S. April 29, 1970. TIAS 6900.

Notification of succession: Djibouti, April 6, 1978.

Wheat

Protocol modifying and further extending the wheat trade convention (part of the international wheat agreement), 1971 (TIAS 7144) Open for signature at Washington April 26-May 17, 1978. Enters into force June 24, 1978, with respect to certain provisions and July 1, 1978, with respect to other provisions.

Signatures: Austria, May 11, 1978; Iraq, May 9, 1978; Korea, May 11, 1978; Mauritius, May 9, 1978; Pakistan, May 11, 1978; South Africa, May 2, 1978; Vatican City State, May 5, 1978.

Declaration of provisional application deposited: Tunisia, May 4, 1978.

Protocol modifying and further extending the food aid convention (part of the international wheat agreement), 1971 (TIAS 7144) Open for signature at Washington April 26-May 17, 1978. Enters into force June 24, 1978, with respect to certain provisions and July 1, 1978, with respect to other provisions.

BILATERAL

Australia

Arrangement relating to an observer scheme for the whaling station at Cheynes Beach, Western Australia. Effected by exchange of notes at Canberra January 26 and April 3, 1978 Entered into force April 3, 1978

Bangladesh

Agreement amending the agreement for sales of agricultural commodities of January 13, 1978 Effected by exchange of notes at Dacca April 11, 1978. Entered into force April 11, 1978

Project grant agreement for the operation of the Cholera Research Laboratory. Signed at Dacca January 3, 1978 Entered into force January 3, 1978.

Canada

Reciprocal fisheries agreement. Effected by exchange of notes at Brussels April 10 and 11, 1978 Enters into force on the date of the later of the two notifications whereby the governments notify each other of the completion of their internal procedures.

Cuba

Convention for the conservation of shrimp. Signed at Havana August 15, 1958. Entered into force September 4, 1959. TIAS 4321.

Notice of termination: Effective April 27, 1978

Egypt

Agreement amending the agreement for sale of agricultural commodities of December 1977. Effected by exchange of notes at April 20, 1978. Entered into force April 1978.

Guinea

Project grant agreement relating to agricultural production capacity and training. Signed at Conakry September 27, 1977. Entered into force September 27, 1977.

Agreement amending the project grant agreement of September 27, 1977, regarding agricultural production capacity and training. Signed at Conakry March 31, 1978. Enters into force March 31, 1978.

Ivory Coast

Air transport agreement, with memorandum understanding and exchange of notes. Signed at Abidjan February 24, 1978. Entered into force provisionally February 24, 1978 definitively on a date agreed to by the contracting parties in an exchange of diplomatic notes.

Kenya

Project grant agreement providing funding for the rural roads system project. Signed at Nairobi September 30, 1977. Entered into force September 30, 1977.

Korea

Memorandum of agreement relating to the Gimpo International Airport expansion project, with attachments. Signed at Washington and Seoul August 12 and December 1977. Entered into force December 14, 1977.

Agreement amending the agreement of July 1977 (TIAS 8885), relating to export of rubber footwear from the Republic of Korea. Effected by exchange of letters at Washington May 8, 1978. Entered into force May 1978.

Lebanon

Agreement for sales of agricultural commodities, relating to the agreement of January 25, 1977 (TIAS 8676), with minute negotiations. Signed at Beirut March 1978. Enters into force upon date of receipt by the U.S. Government of the communication of the approval of the agreement by competent authorities of the Government of Lebanon.

Liberia

Air transport agreement, with memorandum understanding. Signed at Monrovia March 30, 1978 Entered into force March 30, 1978.

Mexico

Agreement concerning training for helicopter pilots as part of the cooperative effort to reduce illegal narcotics traffic. Effected by exchange of letters at Mexico April 3, 1978 Entered into force April 3, 1978.

Nigeria

Air transport agreement. Signed at Lagos

1978. Entered into force provisionally, April 27, 1978; definitively, upon an exchange of diplomatic notes confirming the completion of any necessary constitutional requirements.

ma

ma Canal treaty, with annex and agreed minute, related agreements, notes, and letters. Signed at Washington September 7, 1977.¹

ate advice and consent to ratification: April 18, 1978.⁶

a New Guinea

ement relating to investment guaranties. Effected by exchange of notes at Port Moresby and Waigani November 28, 1977, and April 4, 1978. Entered into force April 1978.

ppines

ect loan agreement for rural electrification. Signed at Manila January 13, 1978. Entered into force January 13, 1978.

ect loan agreement for crop protection. Signed at Manila January 13, 1978. Entered into force January 13, 1978.

ect grant agreement for the economic and social impact analysis/women in development. Signed at Manila April 19, 1978. Entered into force April 19, 1978.

apore

ransport agreement, with exchanges of notes. Signed at Singapore March 31, 1978. Entered into force March 31, 1978.

alia

ement for sales of agricultural commodities. Signed at Mogadiscio March 20, 1978. Entered into force March 20, 1978.

anka

ement amending the agreement for sales of agricultural commodities of January 9, 1978. Effected by exchange of notes at Colombo April 12, 1978. Entered into force April 12, 1978.

ed Kingdom

ement amending the agreement of July 23, 1977 (TIAS 8641), concerning air services, with related letters. Effected by exchange of notes at Washington April 25, 1978. Entered into force April 25, 1978; effective April 1, 1978.

S.R.

ement concerning the translation and publication in English of copyrighted Soviet books, with form. Signed at Washington March 21, 1978. Entered into force March 1978. □

Not in force.

Not in force for the U.S.

With reservation.

Applicable to Netherlands Antilles.

Subject to ratification.

With reservations and understandings.

PRESS RELEASES: Department of State

April 24-May 12

Press releases may be obtained from the Office of Press Relations, Department of State, Washington, D.C. 20520.

No.	Date	Subject	
*186	4/24	Fishery Conservation Management Act: One Year Later.	
187	4/24	Vance: press briefing, White House.	
*188	4/26	Shipping Coordinating Committee (SCC), Safety of Life at Sea (SOLAS), working group on safety of navigation, May 23.	
*189	4/26	SCC, SOLAS, working group on international multimodal transport and containers, June 7.	
*190	4/26	SCC, SOLAS, working group on radio communications, May 18.	
*191	4/27	U.S.-U.K. charter air services agreement, Apr. 23.	
*192	4/27	Robert L. Yost sworn in as Ambassador to the Dominican Republic, Apr. 24 (biographic data).	
*193	4/27	Visit of Korean Energy and Resources Minister Chang Yie-joon to the U.S.	
*194	4/28	Program for the official visit to Washington of Prime Minister Fukuda of Japan, May 1-3.	
195	5/1	Vance: address to national convention of the League of Women Voters, Cincinnati, on foreign assistance.	
195A	5/1	Vance: question-and-answer session following Cincinnati address.	
195B	5/1	Vance: remarks to press following Cincinnati address.	
196	5/1	Vance: interview on CBS "Face the Nation," Apr. 30.	
*197	5/1	Advisory Committee on Private International Law, study group on maritime law matters, May 23.	
*198	5/1	SCC, committee on ocean dumping, June 6.	
*199	5/1	U.S. Organization for the International Telegraph and Telephone Consultative Committee (CCITT), study group 1, June 1.	
*200	5/2	U.S., Nigeria joint statement.	
*201	5/3	Special foreign policy briefing for labor editors and press, May 16.	
202	5/3	Vance: statement before Senate Committee on Foreign Relations on proposals to sell aircraft to Egypt, Israel, and Saudi Arabia.	
*203	5/3	U.S., Colombia amend textile agreement, Apr. 4, 6.	
*204	5/3	Detroit conference on U.S. Interests in the Middle East, May 10.	
*205	5/3	25th assembly of the International Rubber Study Group, June 19-23.	
*206	5/3	U.S., Romania amend textile agreement, Apr. 12.	
*207	5/3	SCC, SOLAS, working group on carriage of dangerous goods, June 8.	
*208	5/3	Overseas Schools Advisory Council, June 8.	
*209	5/4	U.S., Canada, Japan sign protocol amending 1972 International Convention for High-Seas Salmon Fishery of the North Pacific Ocean, Apr. 25.	
*210	5/3	Advisory Committee on Transnational Enterprises, working group on transborder data flows, May 23.	
*211	5/3	27th ANZUS council meeting, Washington, June 7-8.	
*212	5/4	Vance: arrival statement, Mexico City, May 3.	
213	5/4	Vance, Roel: joint news conference, Mexico City.	
*214	5/4	Vance: luncheon toast, Mexico City.	
215	5/4	Joint communique issued at conclusion of Secretary Vance's visit, Mexico City.	
†216	5/8	Foreign fishery allocations for Atlantic and Gulf of Mexico sharks determined for 1978.	
*217	5/9	Vance: statement before House Committee on International Relations on proposals to sell aircraft to Egypt, Israel, and Saudi Arabia.	
*218	5/9	Robert M. Sayre sworn in as Ambassador to Brazil (biographic data).	
*219	5/12	Conference for Young Political Leaders, May 11-12.	
†220	5/12	Great Lakes water quality agreement reached with Canada, May 11.	
*221	5/12	Program for the state visit to the U.S. of Dr. Kenneth Kaunda, President of Zambia, May 16-22.	

*Not printed in the BULLETIN.

†To be printed in a later issue.

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